

ITEM NO :
REF NO :

SUBJECT : MAHIKENG LOCAL MUNICIPALITY ANNUAL REPORT TABLE
IN COUNCIL

ATTACHMENT : TABLING OF MAHIKENG LOCAL MUNICIPALITY ANNUAL REPORT (1ST
JULY 2017 – 30TH JUNE 2018)

PURPOSE

The purpose of this report is to appraise and present to the municipal council regarding Mahikeng local Municipality Annual report for the period 1st July 2017 to 30th June 2018.

- The Honorable Executive mayor of a Mahikeng local municipality to table in the municipal council the annual report for the period of 1st July 2017 - 30th June 2018.
- To report that the Mahikeng local municipality annual report was audited and inspection were conducted by the Auditor General.

BACKGROUND

- The Executive mayor of a Mahikeng Local municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality as required by Section 127(2) of the Municipal Finance Management Act 56 of 2003
- The mahikeng Local Municipality had prepared the final annual report as requirements with regarding to Section 121 of the Municipal Finance Management Act 56 of 2003
- The purpose of an annual report as stipulated by Section 121 of the Municipal Finance Management Act 56 of 2003 details:
 1. to provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;
 2. to provide a report on performance against the budget of the municipality or municipal entity for that financial year; and
 3. to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

The Mahikeng Local Municipality annual report had included

- the annual financial statements of the municipality, and in addition, if section 122 (2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126 (1);
- the Auditor-General's audit report in terms of section 126 (3) on those financial statements;
- the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act
- the Auditor-General's audit report in terms of section 45 (b) of the Municipal Systems Act
- an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;

- an assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17 (3) (b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year;
- particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d);
- any explanations that may be necessary to clarify issues in connection with the financial statements;
- any information as determined by the municipality;
- any recommendations of the municipality's audit committee; and
- any other information as may be prescribed

DISCUSSION

- The Executive mayor of a Mahikeng Local municipality must table in the municipal council the annual report of the municipality by 31 January as required of Section 127(2) of the Municipal Finance Management Act 56 of 2003
- The municipal council to note the tabling of the annual report tabled by the Executive mayor.
- Reporting annually, quarterly and monthly enhances key component of accountable, outcome based and good governance of the accounting officer as expected to report to Council regarding the municipal performance each financial year.
- The auditor General audited and inspected final specification as below:

Mahikeng Local Municipality audited annual report for the period 01st July 2017 to 30th June 2018 presented as follows for Municipal council consideration to note.

Contents	Status	%
CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY	Completed	100%
CHAPTER 2 – GOVERNANCE	Completed	100%
CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)	Completed	100%
CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE	Completed	100%
CHAPTER 5 – FINANCIAL PERFORMANCE	Completed	100%
CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS	Completed	100%
APPENDICES	Completed	100%

RECOMMENDATION

1.1. It is resolved that:

- (1) The municipal council to note the tabled Mahikeng Local municipality annual report for the period from 1st July 2017 to 30th June 2018.
- (2) That the Chairperson Of MPAC develop a programme on how the MPAC is going to engage the communities in oversight meetings

MAHIKENG LOCAL MUNICIPALITY

ANNUAL REPORT

2017 - 2018



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CHAPTER 1 MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

MAYOR'S FOREWORD

The objects of Local Government Section 152 (1) (a) (b) (c) and (d) enjoins the municipality to provide a democratic and accountable government, to ensure provision of services to the communities in a sustainable manner, to promote social and economic development, to promote a safe and healthy environment and to encourage community participation. Mahikeng Local Municipality intends to achieve all these objects of Local government by implementation of the Integrated Development Plan. Further we will continue to use our Service Delivery and Budget Implementation Plans to further entrench our service delivery to our people in a more targeted manner. This annual report which also outlines the implementation and achievement of Constitutional objectives which various pieces of legislation such as the section 46 of the Local Government: Municipal Systems Act No.32 of 2000 as amended, Sections 121 and 127(2) of the Local Government: Municipal Finance Management Act No.56 of 2003 as amended conform to. The Municipality progressed significantly in achieving objectives with regard to the five key performance areas applicable to local government and which is outlined in this Annual

Report:

1. Basic Service delivery and infrastructure development
2. Municipal transformation and development
3. Local Economic Development
4. Municipal Financial viability and management
5. Good Governance and Public Participation

It is an obligation to Mahikeng Local Municipality to prepare an Annual report which its main objective is to reflect on the performance of the Municipality for each financial year. This report is prepared in terms of the provisions of section 121(1) of the Municipal Finance Management Act as amended as well as section 46(1) of the Municipal Systems Act of 2000 as amended.

Mahikeng Local municipality obtained a qualified audit opinion in 2016/17. We have unfortunately regressed to a disclaimer outcome in 2017/18. The outcome came as a results of number of challenges outlined in the Auditor General Audit report, however we will strive to correct those challenges through Post audit action plan.

Mahikeng Local Municipality took a decision to increase its service delivery capacity by acquiring the white and yellow fleet. It should be mentioned that since the acquisition of same, we see massive improvement in the area of service delivery. We have taken a model of integrating the services we

provide to our people. It should be mentioned that these white and yellow fleet assist us to realize the improvement we are making in the lives of our people.

We will continue to work closely with our communities so that they know exactly what is happening within their elected Council. This will also provide us with an opportunity to know their daily challenges and be in a position to make the necessary planning to overcome those challenges timeously.

Service Delivery Budget Improvements Plan

The Executive Mayor approved the Service Delivery Budget Implementation Plan (SDBIP) of the Municipality which is the cornerstone to determine the key Service Delivery objectives and targets of the Municipality based on the Integrated Development Plan (IDP) and budget that was adopted by council. The SDBIP directly informs the Annual Budget of the Municipality and the Performance Agreements and Performance Plans of the Municipal Manager and Section 57 Managers. Quarterly Reporting has improved and enabled the municipality to compile the annual Report.

One of the challenges we face as a municipality is the provision of water in the rural areas. Mahikeng Local Municipality is not a Water Services Authority. Legislatively, that mandate is given to our District Municipality in this case, Ngaka Modiri Molema. It is a challenge we are grappling with and we hope we will soon find a resolution to it. We have been compelled to do unfunded mandate by continuing to provide this service to our people. It becomes very difficult for us as a municipality to see our people struggling without water since they come to us for this service. It is always difficult to explain to our people that we cannot provide water because it is a district competency. Our people do not understand separation of powers and segregation of responsibilities while at the same time when we perform this function it becomes unfunded which becomes an audit query.



CLLR. BETTY DIAKANYO
HONOURABLE EXECUTIVE MAYOR

EXECUTIVE SUMMARY

MUNICIPAL MANAGER'S OVERVIEW

Mahikeng Local Municipality Annual report has been compiled in line with the Local Government Municipal Systems Act 32 of 2000, the Local Government Municipal Finance Management Act 56 of 2003 and the National Treasury Circular no 11. This annual report captures Mahikeng Municipality's strategic focus, provides an overview on its performance and sets out Council's financial position for the 2017/18 financial year. It outlines various programs managed by the Directorates and how they have performed towards meeting set targets, in line with the Community and Council's long term vision for the town. This Annual Report of 2017/18 is not a stand-alone document and has to be read in conjunction with a host of other reports. The purpose of this reporting document is to enhance sectorial project planning and alignment by including their functions and contributions towards eradication of service backlogs, progress and implementation thereof.

Key Priority Issues as well as national and provincial strategic issues as encapsulated in the IDP and various national and provincial plans are concretised and aligned with the following Key Performance Areas:

- Municipal Institutional Development and Transformation
- Service Delivery
- Local Economic Development
- Municipal Financial Viability and Management
- Good Governance and Public Participation

The above KPA's are also aligned with the Department of Co-operative Government, Human Settlement and Traditional Affairs in the Provincial and as well as National Development Plan.

The municipality in terms of service delivery, the long awaited Organisational Redesign process through the job evaluation has just commenced. This should allow for a more efficient administration in years to come, in addition to much needed human resources capacity in key operational areas. Good governance remains crucial to the success of the organization and the value of a well -

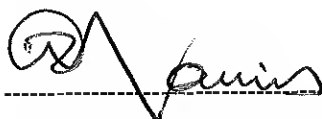
functioning Council with its Committee structure, as well as Ward Committees cannot be overstated.

Central to the execution of annual reporting is the need for economic growth and job Creation which has an impact on the livelihood of our communities. Here, the introduction of EPWP and other job creation efforts through state infrastructure development projects and private sector contributes as positive catalyst to the social challenge. The need for marketing the municipality and attracting international and regional investment are also key elements in financing the execution of Mahikeng Local Municipality's Service Delivery Budgetary Implementation Plan, a tool which is informed by the IDP. Noted, that the latter mentioned which forms the content of the Annual Plan is further refined through a prioritisation process within available budget parameters and alternative service

Furthermore, this Annual Report serves as a record of and accounting mechanism to communities on the institution's achievements and challenges, as well as the mitigation and remedial measures implemented to address the latter. We also wish to put it on record that the municipality acknowledges its challenges but the bulk of the protests that engulfed the municipality was outside the mandate and the powers of the municipality despite the loss that Mahikeng Municipality suffered. While it reflects that progress has been made in service delivery, there are undeniably challenges. To strengthen and streamline the institution and its operations to enable the institution to expand and expedite service delivery to the residents of Mahikeng Local Municipality, among others the following interventions/actions will be prioritized in the year ahead:

- (a) The appointment of additional law enforcement officers,
- (b) Strengthening of the planning units,
- (c) The improvement of our payment culture and
- (d) The phasing in of performance management in the municipality.

As the Accounting Officer of the institution, I would like to extend my heartfelt appreciation to the political leadership and staff of the Mahikeng Local Municipality for their hard work and dedication, which culminated in the progress made by the institution during the 2017/18 financial year.



MR. REUBEN ATTIE MORRIS
ACTING MUNICIPAL MANAGER

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

BACKGROUND DATA

Mahikeng Local Municipality (NW383) is situated in the North West Province 20 kilometers south of the Botswana Border. It is the capital city of North West Province and used to be known as the City Council of Mafikeng. The municipality is a considerably big local municipality as compared to the other four local municipalities (Category B Municipalities). It is situated within Ngaka Modiri Molema District Municipality which was established in terms of the Municipal Demarcation Act (Act No. 27 of 1998).

The neighbouring local municipalities which border the Ngaka Modiri-Molema District Municipality are:
Ramotse Moiloa Local Municipality;
Tswaing Local Municipality;
Ditsobotla Local Municipality and
Ratlou Local Municipality.

The below is compilations information concluded by statistic of South Africa with records from 2011 census report and 2016 community survey.

The total area of the Mahikeng Local Municipality is approximately 3 703km². It is divided into 35 Wards consisting of 102 villages and suburbs. According to the Census results Statistics South Africa 2011 and Community Survey 2016 Statistical release, the population of the Mahikeng local municipality is estimated at 291 527(2011) and 314 394 (2016) people. Approximately 75% of the area is rural. The rural areas are in the southern and western part of the municipality and are under tribal control.

The table below as per the 2011 official Census indicates that the population of Mahikeng Local municipality has grown to 291 527 since 1996. It also indicated that the municipality has a predominantly African population with fewer Coloureds, Whites and Indian groups:

Population Details (2011)			
Age	Male	Female	Total
Age: 0 - 4	16690	16504	33194
Age: 5 - 14	28774	27741	56515
Age: 15 - 34	53544	53431	107075
Age: 35 - 64	37075	43591	80666
Age: 65+	5559	8519	14078

Province, District and Local municipality	Municipal sub -category	015 Grants and subsidies received as a % of Total income	2011						2016						Youth proportion	Sex ratio	Total population intercensal growth rate (2011-2016)	Persons aged 20 years+ who have completed grade 12
			Total population			Youth (15-34 years)			Total population			Youth (15-34 years)						
			Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total				
667 NW293: Mafikeng	B2	32.2%	141 642	149 885	291 527	53 546	53 552	107 078	153 094	167 300	314 394	68 853	68 709	137 561	43.8	94.9	0.017	81 430

Overview of Neighbourhoods within 'Mahikeng Local Municipality'

(2011 CENSUS REPORT)			
Ward #	Settlement Type	Households	Population
63803001	Lekoko, Modimola, Makhubung, Madike-Makgabana, Magelele	2 523	10 353
63803002	Unit 15, Masutihe 1&2, Kabe, Lekung, Dibono, Phadima, Motsuorwana, Metsimaswana, Serotswana, Tontonyane, Mabudutswana	2 338	8 054
63803003	Ikopeleng, Miga, Dimorogwane, Magokgwane & 600	2 693	8 581
63803004	Tsetse, Ottoshoop, Farms,	2 593	9 184
63803005	Lomanyaneng, Moonlight, Boitapologo & Mofine Section.	895	3 493
63803006	Lokaleng, Tlapeng, Moshawana, Lokgalong, Military Village, Leopard Park, Unit 3 & 6.	3 253	10 792
63803007	Golfview, Borola-tuku, Mafikeng CBD, Top Village, Imperial Reserve, Ext 38	4 932	15 159
63803008	Montshioa, Unit 1-Montshioa, & flats, Bop, Kagiso, Wimpy & Part Unit 5, UNIWEST	3 781	6 914
63803009	Riviera Park, Danville, Part Lomanyaneng.	2 909	11 277
63803010	Units, 2, 7, 8, Kegomoditswe, Gatholo Heights	2 803	6 667
63803011	Seweding, Mocoseneng	1 525	5 668
63803012	Unit 14 & 13 & Tontonyane. Moletsamongwe	3 170	9 579
63803013	Unit 9, Unit 10 & 12, Ext 39	5 450	14 986
63803014	Part Seweding, Part Magogoe Tar, Phatsima, Mocoseneng (Ga Israel)	3 616	13 264
63803015	Montshioa Stadt, Bokone, Lorwana & Go-Nthua.	2 754	8 062
63803016	Part Ramosadi, Part Motihabeng & Phola	3 649	10 624
63803017	Tloung, Part Magogoe Tar, Part Magogoe Makgetla and Magogoe Shebelkwano	2 183	7 878
63803018	Tlhabologo, Sehuba & Mapetla	2 627	9 654
63803019	Magogoe Koikoi, Magogoe Central.	1 447	5 422
63803020	Part Montshiwa & Ramosadi	2 114	5 802

63803021	Majemantsho & Lomanyaneng Dube, Setlopo Thutong	2 215	8 302
63803022	Setlopo Utlwanang & Koikoi	3 281	12 504
63803023	Loihakane Ditshilo, Dithakong East and West	2 150	8 038
63803024	Louisdal, Siberia, Mooipan, Lombaardslaagte, Weltevrede, Goedgevonden, Enselsrust, Uitkyk, Brooksby & Mooifontein	2 406	9 012
63803025	Nooitgedacht, Naauppoort, Bapong, Bethel, Makouspan/Mandela Park, Driehoek, Kaalpan	2 081	8 107
63803026	Madibe a Tau & ga Kubu, Letlhogoring, Morwatshehtha, Sebowana, Lekhubu la Seipone, Mantisa, Tsokwane, Ga Molema & Tshunyane, Pudungoe	2 066	9 473
63803027	Masephe, Matlhonyane, Rooigrond, Schoongesicht, Dihatswane, Dithakong tsa ga Sehuba, Mothakga.	2 629	10 947
63803028	Signal Hill, Molelwane, New Stands, Setumo Park, Slurry & Buhrmansdrift.	2 901	11 361
63803029	Lonely Park. Libertas	3 184	11 100
63803030	Phola, Motlhabeng, Dibate	3 549	8 840
63803031	Setlopo, Part Dithakong	3 085	12 431
			291 528

The municipality has demarcated to 35 wards after the election in 2016. The Total population since then has grown to 314 394 people as per COMMUNITY SURVEY 2016 of STATISTIC SOUTH AFRICA.

VILLAGES PER WARDS

WARD NO.	NAME	SURNAME	PARTY	Village Per Ward
1	Cllr Doctor	Moseki	ANC	<ul style="list-style-type: none"> ➤ Lekoko ➤ Modimola ➤ Madibe Makgabana
2	Cllr Tshepiso	Motshabi	ANC	<ul style="list-style-type: none"> ➤ Unit 15 ➤ Masuthe 1 ,2 & West ➤ Phadima ➤ Lekung ➤ Dibono ➤ Kabe ➤ Moletsamongwe ➤ Serotswana ➤ Tontonyane ➤ Mmanawana ➤ Metsimaswaana
3	Cllr Tshepo	Malebadi	ANC	<ul style="list-style-type: none"> ➤ Ikopeleng ➤ Miga ➤ Dimorogwane ➤ Makgogwane ➤ Six hundred
4	Cllr Matthews	Mogotsi	ANC	<ul style="list-style-type: none"> ➤ Tsetse ➤ Ottoshoop ➤ Matsapola ➤ Klippan ➤ Farmers
5	Cllr Lucky	Pheta	ANC	<ul style="list-style-type: none"> ➤ Lomanyaneng ➤ Mofine Section ➤ Moonlight ➤ Thembane section ➤ Mokgweetsi Section ➤ Mubs and sundowns section ➤ Boitaboloso section
6	Cllr Calculator	Segoe	ANC	<ul style="list-style-type: none"> ➤ Lokaleng village ➤ Tlapeng 1 & 2 village ➤ Moshawane village ➤ Lokgalong village ➤ Military village ➤ Mogosane village ➤ Seloja village ➤ Mabudutshwane
7	Cllr Sello	Molefe	ANC	<ul style="list-style-type: none"> ➤ Part of Golfview ➤ Mahikeng CBD ➤ Imperial Reserve ➤ Exetension 38 ➤ Libertas
8	Cllr Themba	Gasealahwe	ANC	<ul style="list-style-type: none"> ➤ Montshioa

WARD NO.	NAME	SURNAME	PARTY	Village Per Ward
				<ul style="list-style-type: none"> ➤ Unit 1 ➤ Kagiso flat ➤ unit 5 ➤ Wimpy flat ➤ Kegomoditswe Flat ➤ Bop flat ➤ Uniwest
9	Cllr Pule	Mokgele	ANC	<ul style="list-style-type: none"> ➤ Riviera Park ➤ Rooigrond ➤ Buhrmansdrift ➤ Matsatseng
10	Cllr Khura	Motalane	ANC	<ul style="list-style-type: none"> ➤ Part of Dibate ➤ Part of Motlhabeng ➤ Part of Unit 2
11	Cllr Khumo	Phasha	ANC	<ul style="list-style-type: none"> ➤ Seweding ➤ Mocosing ➤ Part of Mothabeng
12	Cllr Gape	Kgwadibane	ANC	<ul style="list-style-type: none"> ➤ Unit 14 ➤ Unit 13 ➤ Tontonyane ➤ Mocosing
13	Cllr Ditebogo	Molema	ANC	<ul style="list-style-type: none"> ➤ Unit 9 ➤ Unit 10 ➤ Part of Unit 12 ➤ Part of Unit 08 ➤ Part of Unit 15 ➤ Part of unit 13
14	Cllr Matshidiso	Manyaneng	ANC	<ul style="list-style-type: none"> ➤ Seweding ➤ Magogoe ➤ Magogoe tar ➤ Phatsima ➤ Motsoseng Phefeni
15	Cllr Tironyane	Makolomakwa	ANC	<ul style="list-style-type: none"> ➤ Montshioa Stadt ➤ Bokone ➤ Lorwaneng ➤ Go-Nthua / Ramakgetla ➤ Tloung
16	Cllr Moraloga	Segwe	ANC	<ul style="list-style-type: none"> ➤ Part of Ramosadi ➤ Part of Seweding ➤ Part of Phola
17	Cllr S.J	Van Rooyen	ANC	<ul style="list-style-type: none"> ➤ Danville ➤ Part of Lomanyaneng
18	Cllr Neo	Molwa	ANC	<ul style="list-style-type: none"> ➤ Magogoe Tlhabologo ➤ Moatlhodi side ➤ Magogoe koikoi ➤ Senkgwe side ➤ Lerato café side

WARD NO.	NAME	SURNAME	PARTY	Village Per Ward
19	Cllr Apna	Modise	ANC	<ul style="list-style-type: none"> ➤ Part of Magogoe Tlhabologo ➤ Part of Magogoe central
20	Cllr Pontsho	Tabane	ANC	<ul style="list-style-type: none"> ➤ Part Montshioa ➤ Ramosadi
21	Cllr Mpho	Phuthogo	ANC	<ul style="list-style-type: none"> ➤ Majemantsho Mine ➤ Lomanyaneng Dube ➤ Mosiane ➤ Seloseshe ➤ Moatlhodi ➤ New stand
22	Cllr Bongane	Ngobeni	ANC	<ul style="list-style-type: none"> ➤ Makhubung ➤ Magogoe Tlhabologo ➤ Setlopo West ➤ Setlopo East ➤ Tontonyane ➤ Koikoi ➤ Koikoi Crushers
23	Cllr David	Seele	ANC	<ul style="list-style-type: none"> ➤ Ditshilo ➤ Bethel ➤ Ramookeng ➤ Ramoile ➤ Borokoro ➤ Rakolobe ➤ Rapulana ➤ Mokuleng ➤ Phatsima 1& 2
24	Cllr Nkagisang	Mokwena	ANC	<ul style="list-style-type: none"> ➤ Louisdal ➤ Seberia ➤ Mooipan ➤ Lombaardslaagte ➤ Weltevrede ➤ Goedgevonden ➤ Enselsrust ➤ Uitkyk ➤ Mooifontein
25	Cllr Ntswaki	Monnapula	ANC	<ul style="list-style-type: none"> ➤ Nooitgedacht ➤ Naawpoort ➤ Bapong ➤ Makouspan ➤ Mandela park
				<ul style="list-style-type: none"> ➤ Drieboek ➤ Kaalpan ➤ Brooksby
26	Cllr Catherine	Mosello	ANC	<ul style="list-style-type: none"> ➤ Madibe ga Tau ➤ Madibe ga Kubu ➤ Letlhogoring ➤ Pudingwe & Lekung ➤ Morwatshetlha

WARD NO.	NAME	SURNAME	PARTY	Village Per Ward
				<ul style="list-style-type: none"> ➤ Seboana ➤ Lekhubu la Seipone ➤ Mantsa ➤ Tsokwane ➤ Ga Molema ➤ Tshunyane ➤ Pudingoe
27	Cllr Moses	Dichabe	ANC	<ul style="list-style-type: none"> ➤ Mosiane View ➤ Masephe ➤ Matlhonyane ➤ Schoongesicht ➤ Ga - Mothaga ➤ Matile ➤ Dihatshwane ➤ Dithakong East ➤ Lotlhakane be hide club 2000
28	Cllr Kagiso	Motsumi	ANC	<ul style="list-style-type: none"> ➤ Signal Hill 1 & 2 ➤ Molelwane ➤ Setumo Park ➤ Nelstand section ➤ Mshongo Village ➤ Timalebone section
29	Cllr Kagiso	Dlamini	ANC	<ul style="list-style-type: none"> ➤ Top village ➤ Lonely park ➤ Golf View ➤ Rowland estate
30	Cllr Kelebemang	Mathakathaka	ANC	<ul style="list-style-type: none"> ➤ Phola ➤ Motlhabeng ➤ Part of Dibate
31	Cllr Themba	Damaniti	ANC	<ul style="list-style-type: none"> ➤ Setlopo Puongwe Section ➤ Dithakong East ➤ Dithakong West ➤ Dithakong tsa sehuba ➤ Letlhogori
32	Cllr M.E	Lekhobe	ANC	<ul style="list-style-type: none"> ➤ Unit 3 ➤ Unit 6 ➤ Part of Setumo Park ➤ Lonely Park ➤ Leopard park
33	Cllr Comfort	Seheri	ANC	<ul style="list-style-type: none"> ➤ Extension 39 ➤ Part of Unit 8 ➤ Part of unit 2 ➤ Part of unit 12 ➤ Beirut(next to unit 5)
34	Cllr Tsietsi	Matoane	ANC	<ul style="list-style-type: none"> ➤ Part Mocoseng ➤ Part magogoe tar ➤ Magogoe Tshepang

WARD NO.	NAME	SURNAME	PARTY	Village Per Ward
				<ul style="list-style-type: none"> ➤ Magoge Shebelakwano ➤ Makhubung riverside
35	Cllr Maria	Ndlovu	ANC	<ul style="list-style-type: none"> ➤ Setlopo Utlwanang ➤ Setlopo sa bosigo ➤ Mjemantsho Hightech

HOUSEHOLD INCOME (Socio Economic Status)

The municipality is a predominantly rural municipality and its rural economy is unable to provide individuals with remunerative jobs or self-employment opportunities. An estimated amount of about 13755 people in the municipality had no income in 2011. In general terms, the majority of households in the municipality earns less than the poverty line (about R1,600 per household per month) and can be considered poor. Those classified as economically active are employed in the services sector. This sector is dominated by the services in terms of the various departments that render services such as health, justice, local government, education, SAPS, etc.

The table below indicates the income categories within the municipality:

Annual household income by Geography for Household weighted(CENSUS 2011)			
Annual Income	North West	DC38: Ngaka Modiri Molema	NW383: Mahikeng
No income	176 090	34 587	13 755
R 1 - R 4800	44 720	11 335	4 223
R 4801 - R 9600	76 068	21 338	7 525
R 9601 - R 19 600	200 531	51 572	16 506
R 19 601 - R 38 200	210 842	48 975	15 338
R 38 201 - R 76 400	162 965	24 052	9 368
R 76 401 - R 153 800	93 223	15 891	7 365
R 153 801 - R 307 600	56 610	11 416	5 827
R 307 601 - R 614 400	28 028	5 360	2 987
R 614 001 - R 1 228 800	8 266	1 506	854
R 1 228 801 - R 2 457 600	2 629	516	257
R 2 457 601 or more	2 025	450	231

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Natural Resources	
Major Natural Resource	Relevance to Community
Water	Water gives the community life
Land	Land helps the community with agriculture by growing plants, housing, livestock
Air/Wind	The community inhales oxygen from plants and exhales carbon dioxide which assists plant to grow
Energy	The community received energy from the Sun which helps the plants and humans to grow

COMMENT ON BACKGROUND DATA

The statistics South Africa shows that the total population of Mafikeng Local Municipality stands at 314 394 people according to Community Survey 2016 which has steadily grown from 291 527(Census 2011) and 259 502(Census 2001).

In summary a rise in the population and households will have a negative impact on the delivery of services which are done per households. The municipality is already under pressure from existing basic service backlogs including housing, water and sanitation. Electricity provision remains on a steady rise. An increase in the number of people who are not economically active paints a bleak future; in addition to that key sectors of agriculture and government are in economic decline. A High unemployment rate continues to hinder economy growth. There is an abundance of the natural resource base where new opportunities for growth could be sought.

SERVICE DELIVERY OVERVIEW

Census 2011 have shown a markedly improvement in the provision of services such as electricity households 84.5 % have access to electricity for lighting and Community survey 2016 shows electricity connections is 96 332 households currently. Great strides have been made in the provision of electricity.

In terms of water sanitation, 29.2% of households have access to flushing toilets and 30.1% have access to 30.9% have tap water inside dwelling. And 59.8% of refuse is collected on a weekly base.

The municipality is still striving to fight poverty as it stand at 41, 4% intensity as per Statistic Community Survey and in Census 2011 was at 42,5%.

FINANCIAL HEALTH OVERVIEW

The financial health of the municipality is elaborated more as per the financial ratios in Chapter 5.

ORGANISATIONAL DEVELOPMENT OVERVIEW

The key Organisational Development Performance issues in Chapter 4 relate to the vacancy rate in the municipality; the turnover rate; Approved and reviewed HR Policies and plans; Sick Leave and Injuries on duty reported and the cost implications thereof; as well as Suspensions and Disciplinary cases pertaining to financial misconduct.

AUDITOR GENERAL REPORT

As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), the responsibility of the Auditor General is to express an opinion on the municipality's financial statements based on conducting an audit in accordance with International Standards on Auditing.

Mahikeng Local Municipality obtained a qualified opinion in 2016/17 financial year.

The Auditor General of South Africa has audited the Mahikeng Local Municipality's Annual Financial Statements by November 2018 and for 2017/18 financial year audit report issued is a Disclaimer opinion.

The 2017/18 Audit Report enclosed in Chapter 6 of this report.

THE ANNUAL REPORT PROCESS

The Annual Report process flow has provided a framework for the municipality to follow in completing various reports within each financial year cycle. It is recommended that Municipal Manager Study this process flow and ensure that reports are submitted timeously.

The municipality has followed this process and is proud to have submitted an unaudited Annual Report with the Annual Financial Statements in August to the Office of the Auditor General of South Africa for audit. The unaudited Annual Report has been compiled in consistent with the MFMA.

This unaudited Annual Report will be used to influence the strategic objectives indicated in the IDP for the next financial year as well as the budgetary requirements related to each vote.

CHAPTER 2 GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community. Municipal executive and legislative authorities are vested in the municipal council.

2.1.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Decision making structures

There are various decision making structures within Council which include the following:

- Municipal Council;
- Executive Mayor and Mayoral Committee
- Portfolio Committees, including
 - Section 80 Committees
 - Section 79 Committees
- Officials with delegated powers.

Committees established in terms of Section 79 of the Municipal Structures Act referred to as council committees established for the effective and efficient performance of council functions or the exercise of any of the council powers. Section 80 committees are established if a Municipal Council has an Executive Mayor. In the case of Mahikeng Local Municipality, councillors are appointed to assist the Executive Mayor in execution of her duties.

The municipality has seven (7) Portfolio Committees. Each Committee is chaired by a Member of the Mayoral Committee with an average of eight (8) deployed Councillors including the Executive Mayor. Listed below are the ten Portfolio Committees of the municipality:

- Corporate Support Services;
- Finance;
- Infrastructure ;
- Community services;
- Public safety;
- Planning and Development
- Local Economic Development

Decisions within these structures are governed by various municipal by-laws, Council policies, legislation and the municipal IDP.

Political and administration functional competencies

The Governance model comprises of the Council, made up of the Speaker of Council, Single Whip, and Section 79 Portfolio and Standing Committees. On the other hand, the Executive is comprised of the Executive Mayor and Members of the Mayoral Committee (MMCs) and the administration led by the Municipal Manager. The intention of the model is to ensure that the municipality executes its functions through the leadership of the Executive Mayor while the Council oversees the activities of the executive for transparency and accountability.

Council

The Council consists of 69 Councillors, of which the 35 are ward councillors and the 34 Proportional Representation (PR) Councillors. The role of the Council in line with the Municipal Systems Act, (Act 32 of 2000) is to engage in meaningful discussion on matters of development for the Municipality. The key functions of Council are:

- Approval of legislation;
- Providing oversight on the planned and implemented interventions of the municipality; and
- Ensuring community and stakeholder participation.

In line with the roles highlighted above, the Council is responsible for the approval of municipal by-laws, IDP, budget and tariffs. Further, the Council, through its various committees, monitors and scrutinises delivery and outputs as carried out by the Executive. In relation to public participation, the Council is tasked with the responsibility of facilitating stakeholder and community participation in the affairs of the municipality through the ward committee system of the Municipal Structures Act.

Speaker of Council

The role of the Speaker of the Council is per Section 160(1) (b) of the Constitution and Section 36 of the Municipal Structures Act. The person elected as chairperson of the Council is designated the Speaker. The Speaker performs the duties and exercises the powers delegated in terms of the Municipal Structures Act.

The Speaker of the Council is entrusted with ensuring that the functions of the Council – legislation, oversight and ensuring community and stakeholder participation – are effectively implemented.

Single Whip

The Single Whip plays a pivotal role in the overall system of governance by ensuring and sustaining cohesiveness within the governing party, and also maintaining relationships with other political parties. The main functions of the Council's Single Whip are to

- Ensure proper representation of political parties in the various committees;
- Maintain sound relations with the various political parties represented on the Council; and
- Attend to disputes between political parties and building consensus.

Executive Mayor and Mayoral Committee

The Honourable Executive Mayor, Councillor B. Diakanyo assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance since executive powers are vested in her by the Council to manage the daily affairs of the municipality. This means that she has the overarching strategic and political responsibility.

POLITICAL DECISION-TAKING

Political decisions were taken in a form of council resolution during 15 council meetings held.

POLITICAL STRUCTURE



EXECUTIVE MAYOR
Cllr. K.B. Diakanyo



SPEAKER
Cllr. T. Nebe



SINGLE WHIP
Cllr. G.A. Kgwadibane



MAYORAL COMMITTEE/ EXECUTIVE COMMITTEE
MMC COMMUNITY SERVICES
Cllr. S.J. Van Rooyen



MMC PUBLIC SAFETY
Cllr. K.L. Phetha



MMC PLANNING & DEVELOPMENT
Cllr. M.C. Makolemako



MMC CORPORATE SERVICES
Cllr. G.N. Monnapula



MMC INFRASTRUCTURE

Cllr. B. Segoe



MMC FINANCE

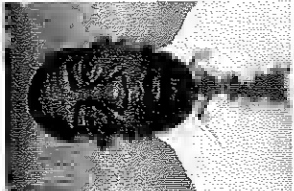
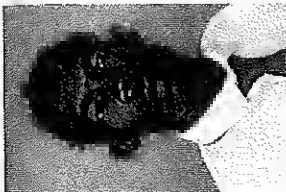

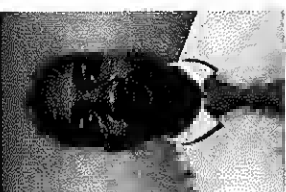
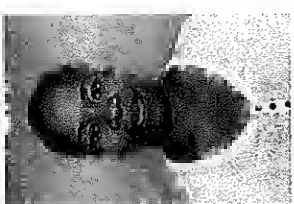


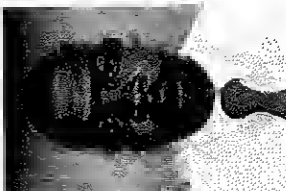

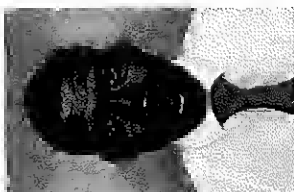
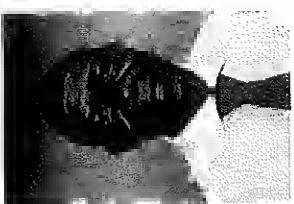

Cllr. B.S. Ngobeni



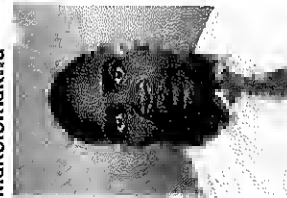



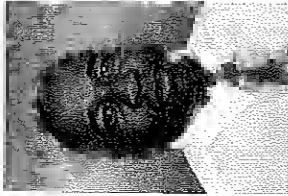


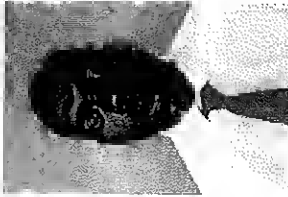
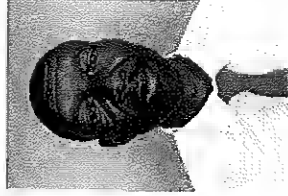
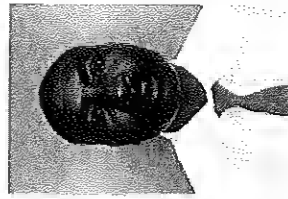




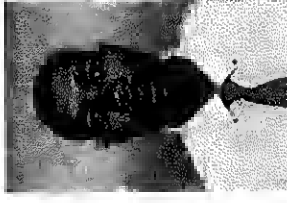
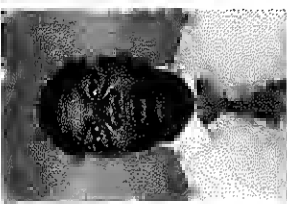
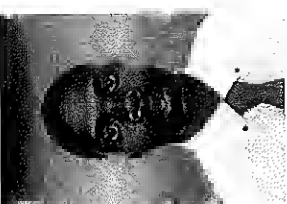
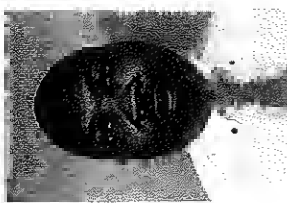



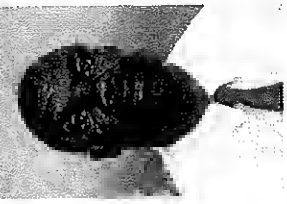
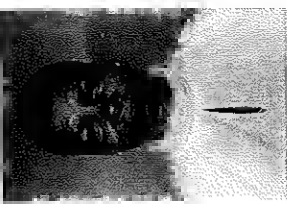
MMC LOCAL ECONOMIC DEVELOPMENT

Cllr. T. Motshabi

WARD COUNCILORS

<p>Ward 1 Cllr N.D. Moseki</p> 	<p>Ward 2 Cllr T. Motshabi</p> 	<p>Ward 3 Cllr T.G.E. Malebadi</p> 	<p>Ward 4 Cllr M.G. Mokgosi</p> 	<p>Ward 5 Cllr K.L. Phetha</p> 	<p>Ward 6 Cllr M.C. Segoe</p> 
<p>Ward 7 Cllr S.L. Molefe</p> 	<p>Ward 8 Cllr S.T.M.M. Gasealahwe</p> 	<p>Ward 9 Cllr P.I. Mokgele</p> 	<p>Ward 10 Cllr K.I. Motlale</p> 	<p>Ward 11 Cllr K.A. Phashe</p> 	<p>Ward 12 Cllr G.A. Kgwadibane</p> 

<p>Ward 13 Cllr D.K. Molema</p> 	<p>Ward 14 Cllr M.M. Manyeneng</p> 	<p>Ward 15 Cllr T.B. Makolomakura</p> 	<p>Ward 16 Cllr M.C. Segwe</p> 	<p>Ward 17 Cllr S.J. Van Rooyen</p> 	<p>Ward 18 Cllr N.V. Moitwa</p> 
<p>Ward 19 Cllr A.M. Modise (Deceased)</p> 	<p>Ward 20 Cllr. T.W. Maseng</p> 	<p>Ward 21 Cllr M. Phuthogo</p> 	<p>Ward 22 Cllr B.S. Ngobeni</p> 	<p>Ward 23 Cllr P.D. Seele</p> 	<p>Ward 24 Cllr S.N. Mokoena</p> 

<p>Ward 25 Cllr G.N. Monnapula</p> 	<p>Ward 26 Cllr C.M. Mosele</p> 	<p>Ward 27 Cllr M. Dichabe</p> 	<p>Ward 28 Cllr K.P. Motsumi</p> 	<p>Ward 29 Cllr K.L.Dlamini</p> 	<p>Ward 30 Cllr K.G. Mathakathaka</p> 
<p>Ward 31 Cllr T.G. Damaniti</p> 	<p>Ward 32 Cllr M.E. Lekhobe</p> 	<p>Ward 33 Cllr K.C. Seheri</p> 	<p>Ward 34 Cllr T.J. Matoane</p> 	<p>Ward 35 Cllr N.M. Ndlovu</p> 	

LIST OF TRADITIONAL LEADERS/DIKGOSI

The Traditional Leaders within municipal boundaries who are part of the key stakeholders in the Council decision making processes.

POSITION	NAMES	GENDER	RE-ELECTED
KGOSI	Shole	Male	✓
KGOSI	Seatholo	Male	

2.1.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The administration of the municipality is headed by the Municipal Manager as its Accounting Officer. As head of the administration the Municipal Manager is, subject to the policy directions of the Municipal Council, responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. As an Accounting Officer he is also responsible for the financial management of the Municipality including the administration of the municipal assets. The Municipal Manager is assisted by Directors who head the six directorates of the Municipality. The Municipal Manager has delegated certain functions to the Directors. Top Management meetings of the Municipal Manager and the Directors are regularly held to discuss administrative governance issues affecting the Municipality and to check that the resolutions of Council are implemented.

TOP ADMINISTRATIVE STRUCTURE



MUNICIPAL MANAGER
Mr T.I. Mokwena



ACTING CHIEF FINANCIAL OFFICER
Mr I. Tswaile



DIRECTOR INFRASTRUCTURE
Mrs M. Moloi-Tsae



DIRECTOR PUBLIC SAFETY
Mr T. Marumo



DIRECTOR COMMUNITY SERVICES
Mr K. Nyembe



DIRECTOR PLANNING AND DEVELOPEMENT
Mr T. Masia

INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Public Participation through stakeholder involvement is promoted within the municipality and under this year of reporting the municipality had functional Ward Committees in all its wards. The municipality has a good leadership which is underpinned by the four values underpinning good governance namely responsibility, accountability, fairness and transparency.

2.1.3 INTERGOVERNMENTAL RELATIONS

This section highlights the continuous strengthening of Intergovernmental Relations (IGR) and rigorous sectoral engagements with other stakeholders. It reflects and highlights some of the key national and provincial implementation frameworks to which the municipality aligns its interventions.

Background to Intergovernmental Relations

Intergovernmental Relations (IGR) refers to the complex and interdependent relations amongst the national, provincial and local spheres of government as well as the coordination of public policies amongst these three spheres. In essence, this means that the governance, administrative and fiscal arrangements operating at the interface between national, provincial and local governments must be managed to promote the effective delivery of services.

This is guided by the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005), which aims to provide within the principle of co-operative government set out in Chapter 3 of the Constitution, a framework for the national government, provincial governments and local governments, and all organs of state, to facilitate coordination in the implementation of policy and legislation, including:

- Coherent government;
- Effective provision of services;
- Monitoring implementation of policy and legislation; and
- Realisation of national priorities.

According to the MSA (2003), 24(1-4), the planning of local government, must at all times be integrated and aligned to the planning and strategies of the national and provincial spheres of government. In addition, any organ of state which is initiating legislation at national or provincial level that affects the planning at local government level, must first consult with organised local government before the legislation can be duly effected. The sections below give effect to Intergovernmental Relations by considering national and provincial imperatives especially for the 2015/16 financial year that are used to guide the development of this IDP.

Mahikeng Local Municipality, within the spirit of Inter-government relations, supports and aligned to the national and provincial strategies such as Government 12 Outcome Delivery Agreement, National Development Perspective, Local Government Turn-around Strategy, and the National Development Plan, amongst others.

Government 12 Outcome Delivery Agreement

In 2010, Cabinet approved 12 national outcomes to address the strategic priorities of government. Each outcome has a limited number of outputs and sub outputs as well as clear targets. These outcomes and outputs will be the strategic focus of the government until the year 2014. The following is the list of the 12 outcomes as well as the role of the City in relation to each outcome.

Outcome 1: Improve the quality of basic education

Outcome 2: Improve health and life expectancy

Outcome 3: All people in South Africa protected and feel safe

Outcome 4: Decent employment through inclusive economic growth

Outcome 5: A skilled and capable workforce to support inclusive growth

Outcome 6: An efficient, competitive and responsive economic infrastructure network

Outcome 7: Vibrant, equitable and sustainable rural communities and food security

Outcome 8: Sustainable human settlements and improved quality of household life

Outcome 9: A responsive and accountable, effective and efficient local government system

Outcome 10: Protection and enhancement of environmental assets and natural resources

Outcome 11: A better South Africa, a better and safer Africa and world

Outcome 12: A development-orientated public service and inclusive citizenship

Outcome 9

The vision of Outcome 9

The vision of Outcome 9 is a responsive, accountable, effective and efficient local government system whereby we have restored the confidence of our people in the local sphere of government as the primary expression of the developmental state by 2011 and beyond. Key ways to achieve this vision are by:

- I. Ensuring that municipalities meet the basic service needs of communities
- II. Building clean, effective, efficient, responsive and accountable local government
- III. Improving performance and professionalism in municipalities
- IV. Improving national and provincial policy, oversight and support
- V. Strengthening partnerships between local government, communities and civil society

The output objectives set-out on the Outcome 9 are as follows;

Outcome 9 Outputs

Output 1: improve access to basic services

Sub-outputs: Improve universal access to basic services by 2014 as follows:

- Water from 92% to 100%
- Sanitation from 69% to 100%
- Refuse removal from 64% to 75%
- Electricity from 81% to 92%

Establishment of Bulk Infrastructure Fund

Establishment of special purpose vehicle for municipal infrastructure

Output 2: Implement the Community Works Programme

Sub outputs:

- Implement the CWP in at least 2 wards per municipality
- CWP to support the creation of 4.5 million EPWP job opportunities
- 30% of all CWP job opportunities can be associated with functional co-operatives at local levels by 2014 functional.

Output 3: Action supportive of Human Settlement outcomes

Sub outputs:

- Initiating actions to increase density in Metros and large towns by 2014
- Release public land for low income and affordable housing to support delivery of 400 000 housing units in well located land

Output 4: Deepen democracy through a refined ward committee model

Sub outputs:

- Broaden participation of and better organise various sectors at local level
- New approach to better resource and fund work and activities of Ward Communities
- Put support measure in place to ensure at least 90% of Wards are fully functional

Output 5: Improve Municipal Finance and Administrative capacity

Sub – outputs:

- Unqualified Audit from municipalities
- Average monthly collection on billing raised to 90%
- Debtor more than 50% of own revenue from 24% to 12%
- Ensure that percentage of municipalities that are overspending on O PEX improve 8% to 4%;
- Municipalities under-spending on CAPEX reduce from 63% to 30%
- Spending less 5% on OPEX repairs and maintenance reduce from 92% to 45%

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The Mafikeng Local Municipality is described in section 155 (1) of the Constitution as a category B municipality and it excludes municipal entities.

COMPONENT B: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.1.4 PUBLIC MEETINGS

OVERVIEW OF PUBLIC ACCOUNTABILITY, COMMUNICATION, PARTICIPATION AND FORUMS

The Office of the Speaker has ensured that Ward Councillors submit both the Community and Ward Committee schedules for the year 2017/18. The Community meetings are meant for the Councillors to communicate with their communities as well as with Council. Ward Committees sit on monthly basis to discuss issues that are recent and challenges that may need urgent attention. Monthly reports are submitted to the Office of the Speaker where they are processed and feedback given on monthly basis. Loud hailing is done by the Officials in the Office of the Speaker whenever a Councillor is convening a community meeting to increase awareness.

The same process is followed when a Public is convened for matters like IDP consultation meetings with the communities. Fliers are developed and distributed to schools and public places for the same purpose. With regards to the Public Accountability, the Office of the Speaker in consultation with other internal partners is in the process of putting in place a process of improving oversight. It has been acknowledged that the institution is not doing well in that area and the matter is receiving attention.

WARD COMMITTEES

Ward Committees are a body of the public representative that primarily assists the Ward Councillors to perform the community work. Ward Committees are elected by the community preferably one person per village to the maximum of ten per Ward. They are allocated portfolios in line with the municipal portfolios. They report community issues on monthly basis to the Office of the Speaker. The Office either refers or report matters directly to Council depending on the nature of the issue rose. The Office of the Speaker is trying by all means possible to improve participatory democracy though the support it gives to the Ward Committees.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	<p>CLLR N.D. MOSEKI</p> <p>1.MALEFU GEORGINA THULO</p> <p>2.NTHABISENG FRANCINAH MOLEHE</p> <p>3.MOLAUDI EZEKIEL PHORA</p> <p>4. KEBIDITSE RUTH GABATSEWE</p> <p>5.LESWALAISE JEREMIA BOGATSU</p> <p>6.PHADIMA SHADRACK KHAUOE</p> <p>7.SEGAMETSE CONFIDENCE TAU</p> <p>8.SHOLOLO CATHERINE TSOTSOANE</p> <p>9.KENALEONE PATIENCE LEBURU</p> <p>10. GODFREY BAKAM MOKONE</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
2	<p>CLLR T. MOTSHABI</p> <p>1.OBAKENG ENOCH MOKGOBINYANE</p> <p>2.ODIRILE SELOME (S)</p> <p>3.PULE MOETJE</p> <p>4.PAKO GLORIA GAOLAOLWE</p> <p>5.SEBANG EDWIN TSHIRELETSO</p> <p>6.CHABAESELE MODISE (B)</p> <p>7.KARABO ANSWER MOETI</p> <p>8.EVA SEONYATSENG LEBURU</p> <p>9.ITUMELENG WESLEY KGATLE</p> <p>10.SHEILA GAOGANEDIWE</p>	YES	12	12	12
3	<p>CLLR T.G.E. MALEBADI</p> <p>1.TEBOGO KENNETH MORRIS</p> <p>2.SELLO ISAAC NOAH MAKAU</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	3.MATHABATHI CORNELIUS KGATI 4.PULANE GLORIA MAJWE 5.LUCAS RAMABYA MOTLHABANE 6.TEBOGO JAMES PHEFO 7.SEIPATI GLADYS SERATI (S) 8.MARIA NKARABENG MBOBO 9.CORNELIUS NALEDI 10.ESTHER MOGOSHANE				
4	CLLR M.G. MOKGOSI 1.MASHEBETSANE SIMON LETSWAMOTSE 2.MTHUTUZELI LIVINGSTONE PHATHO 3.LERATO MOLEFE 4.TUMELO GOOLAM 5.DOCTOR SEDIRO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	6.MOTLALEPULA SHIELA MKHWANAZI 7.MOSETSANAGAPE VIRGINIA MOKGATLHE 8.SANA S. BOINAMO 9.MMATHAPELO JULIA MATSAPOLA 10.SENTSO JOHANNES MONYE				
5	CLLR K.L.PHETHA 1.KEDIDIMETSE GRACE SETHIBELO 2.TINY LENAH NTSIE 3.SAMUEL NGUTYANA 4.MABENA MODIPANE 5.DAVID KGOHETHILE MALEKE 6.FLORENCE LEPHADI 7.HERMAN OUPA MOKWENA 8.PAPI DIKUPE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	9.BABRA CIPHAKALLO 10.KHUMO MOLEBATSİ				
6	CLLR M.C. SEGÖE 1. BASEBI MARUMO 2.JOHANNES KAMOGELÖ MÖKGWEETSİ 3.KGÖMÖTSÖ COLLEN LETLAKANA 4.SEADIMO MARTHÄ MÖRÖLE 5.ERNEST THABANG MÖÖKETSI 6.MPHÖ MABE 7.KESÄÖBAKÄ SÄNNÄH DİSEBÖ 8.ÖBÄKENG HOWARD MÖTSWÄMERE 9. BÖTUMELÖ JÖYCE İJANE	YES	12	12	12
7	CLLR S.L.MÖLEFE 1.CÄTHEL BÄTSİLE GÄVRİLOVIC	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	2.MOTLALEPULA REBECCA MATLHOKO 3.MONIEMANG JUDDY MOTLHAMME 4.LEHLOHONOLO JUSTICE MOKHETHI 5.LEBOGANG GERMINAH SEGWAI 6.MOTHUSI JOSEPH THEKISO 7.LERATO MAVIS RAMATOLO 8.DOLORES GABAITSIWE PELE 9.KEBONE AGNES SEGOTSO 10.MOLEMOENG JEANAH MOAMOGWA				
8	CLLR S.T.M.M.GASELAHWE 1.JEREMIA JONNY SEITISHO MONNAPULA 2.BONTSI SIMON TOGOE 3.TSHIRELETSO PAGELL MOGAU 4.OARABILE LORE RAMONGALA	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	5.NONOFO GAOKGWATHE 6.KEBOGILE CHRISTINA TSHELE 7.MANTSHEBO VERONICA RAKGOTLA 8.NTOMIZODWA VIRGINIA MOGALE 9.TEBOGO BRENDA LEBURU 10.LEBOGANG JAYSON DAMBUZA				
9	CLLR P.I. MOKGELE 1.MARIAS NCHE 2.BOITSHOKO MAGDELINE MEDUPE 3.BILLY DUNCAN NGAKANTSI 4.NOMANTOMBOZANE PHILDAH MMOLO 5.KEDIBONE JOICE KHUMALO 6.PATRICK NDANDE DLAMINE 7.ESTHER MOTHUPI	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
10	8.TOKO RICHARD TAUNYANE	YES	12	12	12
	9.LORNA MENGEL				
	10.SAKETA NELLY NNELA KGASOE				
	CLLR K.I. MOTALANE				
	1.KEDIDIMETSE ALINAH MOLATEDI				
	2.OFENTSE REGINALD SEADIRA				
	3.KEBODITSE ORIAH MALESHANE				
	4.KGALALELO CYNTHYA KGOSITAU				
	5.PASEKA DAVID OBUSENG				
	6.NOMALIZO MARGARET MAMPE				
11	7.MARIA LOLIKIE MOTHUPI	YES	12	12	12
	8.OBAKENG CHERISH KGONARE				
	9.MOLLY MONIEMANG RENS				
	CLLR K.A. PHASHE				

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	1.PANKIE ENGELINE MOKOLE 2.BOITUMELO DINAH GAOBUSE 3.BARILENG DIKOKO 4.NONDELA CECILIA MASUMPA (S) 5.NEONYANE REGINAH KEPADISA 6.ORATILE KING MODISE 7.TUMISANG PRINCE RAKGOMO 8. MOTSHIDISI WINNIE KARABO 9.TSIYETSI JOSEPH TOONS 10.NTIKENYANE JACOB MODISE				
12	CLLR G.A. KGWADIBANE 1. KEIKANTSEMANG MONICA PITSO 2.KGOSIMORE LUCAS LEBELELANG 3.KAMOGELO KENNETH MAKGATHI	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	4.BETTY MOGOPUDI 5.MAHLUBI NIXON KRAAI 6.ALINAH NTSWAKI KOBOEKAE 7.GOLOSIWANG SHADRACK RAMOGAE 8.TSHEGOFATSO CINDI MATEBELE 9.ENERST DILODILO 10.MOTHIBEDI DAVID LEKOMA				
13	CLLR D.K. MOLEMA 1.LENKY MPOTANYANA LEAH MOLAMU 2.TSHEOLE PAUL LENKWE 3.SIZWE EPHRAIM MASHININI 4.OAGENG COLLEN SEBAENG 5.QHOBELA KITCHENER SEMULI 6.OMPHILE PADIRI	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	7. KESELEPILE EMMAH MESO 8. KAGO PITSO MACLILAN NGAKANE 9. GUGULETHU MABIZELA 10. MOTLOGELWA Z. SEATE				
14	CLLR M.M. MANYENENG 1. DIPUO LESLEY MAKALLANE 2. MOGOMOTSI DESMOND RAMATAE 3. KEGOMODITWE JOSEPHINE MONGALA 4. NEO MAUREEN MOOKI 5. KENEILWE EDITH SHOLE 6. THABO LOETO 7. MODISAOTSILE EMMANUEL DISETLHE 8. BONOLO JULIA MOKALAKA 9. NICHOLAS SEATLHODI TSHOLO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	10.W NKONJANI				
15	CLLR T.B. MAKOLOMAKWA 1.NEO LINDAH MOGODINYANE 2.ITUMELENG MONAGENG 3.NTEBALENG ELSIE SEFAKO 4.LESEGO EDITH MORALO 5.PHENYO WESLEY MOLOKELE 6.KEITUMETSE AGNES NAANE 7.MICHAEL DIKGWATLHE 8.SOLOFELANG VICTOR SECHOGO 9.TEBOGO LOSABA 10.KEBITSAMANG RUTH MAANO	YES	12	12	12
16	CLLR M.C.SEGWE 1.MONTWEDI SYDWELL MODISE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	2.KEORAPETSE SEFITLHOLO 3.TSHEPO JAMES MOKOROANE 4.KGOMOTSO CYNTHIA MATSHEKA 5.BOITUMELO ESTHER ZWANE 6.MOGOMOTSI COMFORT MMULUTSI 7.KGOTLAITSILE SYLVESTER TSIMANE 8.AMANTLE NOMATTER KOIKOI 9.THUSO SEBOKOLODI				
17	CLLR S.J.VAN ROOYEN 1.ANGELA LIZELLE LUDICK 2.KATLEGO MALCOLM MONCHO 3.KENNETH ZWELIBANZI NTAMEHLO 4.GOITSEONE AUGUSTUS MENOANE 5.GAOLATLHE MIRRIAM MOKAILA	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	6.PHINDA IDA NTSHONSHO 7.DEON ANTHONY FERRIS 8.OFENTSE ABEL TSETSE 9.EUGENE GEROLD SWARTZ 10.LIONEL BENEDICT VISAGIE				
18	CLLR N.V. MOILWA 1.NONTSIZI EUGINIA PLAATJIE 2.KGALALELO ELVIS MASENG 3.ABOLELENG YVONNE DICHABA 4. MOTLALEPULA ELLEN MAKHAYA 5.TSHEPANG M. GOPANE 6.PHARARE FELIX NKO 7.KABELO JOEL MOLATLHEGI 8.MARTHA SANDO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	9.NOMSANGAPHI SUSAN MOTLHALA 10.MOHAU KEALEBOGA MARUMO				
19	CLLR A.M. MODISE 1. DIKANO SHADRACK DITIRE 2.SEALOGANE PRECIOUS SEITEO 3.DIKELEDI MAGDELINE NTHAODI 4.PHENYO CALPHIUS TSOEU 5.NOMPUMELELO SINAH MTSHAMBA 6.GABORONE AUGUSTUS NOKO 7.PIET STEPHEN KESILWE 8.CAROLINE NGOBENI 9.KEGOMODITSWE ANNITJIE KHUBU 10.SEDIRI FREEDOM SELEKA	YES	12	12	12
20	CLLR P.M. TABANE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	1.ELIZABETH GOEDITSWE LENOKE 2.MILTON GAPE MOKGOBINYANE 3.NTESANG MARTHA GOLELELWANG 4.MMAPHEFO MOFINTA 5.KENNETH BAKANG MABUDI 6.LUCKY LESEGO SKHONDE 7.TSHOLOFELI KAIZER TAWANA 8.OCTAVIA THOMAS 9.KOKETSO TSIENYANE GEORGE KGALADI 10.DINALEDI THEODORA LESHOMO				
21	CLLR M. PHUTHEGO 1.ROSINA KELEBOGILE SETHIBELO 2.THABO LUCAS CHACHA 3.TUMISANG PATRICK MOCUMI	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	4. SELEBANO ANGELINA DINGOKO 5. LEBOGANG JOHN MOLEFE 6. DAVID MOREMEDI 7. NOMATHEMBA P. NTWASHO 8. TUMELO FAITH TSOEU 9. MORWA MARTHA MARUMO 10. ROSINA KELEBOGILE SETHIBELO				
22	CLLR B.S. NGOBENI 1. KGOSIETSILE LUCKYBOY OLIPHANT 2. MMASABATA FLORENCE POIFO 3. MOSETSANAGAPE PHETHE 4. MABONTLE PATRICIA MOOKETSI 5. ITUMELENG JACKSON MOKGETHI 6. JOSEPH SEBOLAI NTITANE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
23	7.KENALEMANG ROSINAH THERE 8.ITHOLENG SONIAH GAONGALELWE 9.BOIKANYO COLLEN PINASE 10.MALERATO ANNASTACIA MATLHOLWA				
	CLLR P.D. SEELE 1.TEBOGO TLALE 2.GABATSHWANE ROSINA MAHAO 3.SETSHEGO MAGDELINE TSHWEU 4.KESENTSENG JOHANNA LESOLLE 5.SEIPATI GLADYS MOLWANTWA (S) 6.LETSHOLO LAWRENCE MOTSEMME 7.NEO BERNETT MABOTE 8.KEADIMILWE GLORIA SEBONEGO 10.MASELEMELA LOUISA SEATLHOLO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
24	<p>CLLR S.N. MOKOENA</p> <p>1.KOOLEBOGILE ANNA MALEFANE</p> <p>2.PUONG ALETTA MANOTO</p> <p>3.MORAPEDI MOTSWENYANE</p> <p>4.SELLOANE MARTHA BALENI</p> <p>5.GODFREY MOSALA</p> <p>6.MOTHUSI MSIMANGA</p> <p>7.MOKATE JULIA MATLAKALA</p> <p>8.BATHUSANG MARGARET KEKGOKETSE</p> <p>9.MALETSATSI EUNICE ITUMELENG</p> <p>10.MASALASUPING ABEL SEJAMOHLO</p>	YES	12	12	12
25	<p>CLLR G.N. MONNAPULA</p> <p>1.NEO ANNA MONGANE</p> <p>2.NOGE JACOB MATSILE</p>	YES	12	12	12

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26	3.KEORAPETSE LESLEY LETHOBA				
	4.KAGISO MESHACK MANUEL				
	5.MMAKALE ELIZABETH TSATSI				
	6.MPHO GIFT MOGALE				
	7.CLARA ELIZABETH NAMANE				
	8.KELETSO SIMON PADIRE				
	9.KEBALEPILE SIMON MOKATE (B)				
	CLLR C.M. MOSETLO	YES	12	12	12
	1.MATTHEWS DITHUSO SHARP				
	2.MMASIKWA AGNES SEIMA				
	3.PHINDILE MATTHEWS SAUL				
	4.KAGISO EMMANUEL DIRE				
	5.OBAKENG CHRISTOPHER MOTHIBI				
	6.KENANAO KENNY MOKGANTSHANG				

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	7.GOPOLANG VICTORIA MASHABA 8.MOTHIBEDI DONALD MOKHASI 9.MOSADIKHUMO MOLOSIWA 10.KEDIBONE ANDRETTA SEANEGO				
27	CLLR M. DICHABE 1.MAGAUTA IRENE MEHLWANA 2.GLADYS MAQUNGELA 3.LENEWA JIM 4.LUCAS MOTLHALE 5.JOSEPH BOETIE MOALUSI 6.DIKELEDI REBECCA TSAGAE 7.KESAObAKA NELLY BATSHEGI 8.BOIPELO HONEY TEEMANE 9.REFILWE REVONIA MOOKETSI	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
28	<p>CLLR K.P. MOTSUMI</p> <p>1.CHERE MOKHESI</p> <p>2.THEMBENI SAMUEL MBASA</p> <p>3.GEORGE DUBE</p> <p>4.TEBOGO NELSON MORE</p> <p>5.JACOB TSHEKISO MOEPI</p> <p>6.MAPELONOMI EVA SPRINGBOK</p> <p>7.GARRY GAENYANE</p> <p>8.PULENG BELLA NTWAGAE</p> <p>9.THEBE MOSAGALE</p> <p>10.CECILIA SELLONE SEMETSE</p>	YES	12	12	12
29	<p>CLLR K.L.DLAMINI</p> <p>1.OFENTSE KGOSI BOGOSI</p> <p>2.TSHEPISO LENTSWANE</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	3.ANNA MMAMONANG SEFEMO MEKGWE 4.KESEKANG M. VAALTEIN 5.MMAPHEFOJOY VAALTYN 6.MAJAKOBA JOYCE LETHOKO 7.SENOGANG JOSEPHINE SEBOLAO 8.DANIEL TAU 9.TUELO PETRUS MOJAFI				
30	CLLR K.G. MATHAKATHAKA 1.SEATSHOGENG BEN SEKOMERE 2.MZWANDILE GODWIN AFRICA 3.KELEBOGILE KGORINYANE 4.BOTINYANE DAVID MOSHOESHOE 5.LEBOGANG EMILY SEGWE 6.BOITUMELO JOYCE BOTSIME	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
31	<p>CLLR T.G. DAMANITI</p> <p>1.DANIEL ARON ABRAMS</p> <p>2.KENALEMANG THELMA MOGOLA</p> <p>3.OBAKENG EDWIN MAKOLOMAKWA</p> <p>4.ORAPELENG PIUS DISEKO</p> <p>5.PELONOMI CONSTANCE TSHWEU</p> <p>6.OARABILE LABIOUS AFRICA</p> <p>7.SELEBALENG DORCAS SEGOPOLLO</p> <p>8.PULE PHOOFOLLO</p> <p>9.ADOLPHINAH KGOMOTSO SEJAMOHOLLO</p> <p>10.BOITIRELO MODIPANE</p>	YES	12	12	12
32	<p>CLLR M.E. LEKHOBE</p> <p>1.KELEBOGILE MONICA MATHONZI</p> <p>2.KEALEBOGA BRIAN MPANZA</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	3.LETLHOGONOLO MOGABE 4. PATRICIA KHUTSAFALO MPAMA 5.MOREETSI RATSHEFOLA 6.PULE ALBAVIUS MAGODIELE 7.DANIEL LETLAMORENG MOTAUNG 8.EUNICE PELONOMI SEREKWANE 9.BERTHA MARUASPANE APPLGREEN 10.MASEGO KHATHAZO				
33	CLLR K.C. SEHERI 1.DIBUELO ELLEN MOGOTSI 2.TUMELO MOTSWADI 3. LESEGO MADUO GLORIA MORE 4.TERESLEI CASWE CASULE 5.MARY MODIEGI JABANE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	6.DIFFERENCE MOAGI MATSIDIDI 7.JOHN LENTIKILE MAKOA 8.ISAAC MALAKAJE 9. MHO ISSAC NDONA				
34	CLLR T.J. MATOANE 1.JEANET MATSHIDISO 2.KELEBOGILE MERCY KGOPODITHATA 3.MOSALA WESLEY LEEPILE 4.OMPHILELERATO MMAREIKANNE BLESSED 5.KERILENG ANNA MMILE 6.PAUL NYANISO NGALO 7.SOPHY KGAIISO MOJAKI 8.SEFAKO ELIAS LEBURU 9.DAVID LESHOMO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
35	CLLR N.M. NDLOVU 1.WAGENG AUBREY MOLAODI 2.TEBOGO TIMOTHY MOTSWANA 3.LESEGO SONYINGWA 4.LUCAS KABISO THIBEDI 5.DIKELEDI ROSLINA MES 6.ZAMILE SAUL MTSHAMBA 7.THIWE AGELINAH GOBILE 8.THUSO LUCKY DUMA 9.OUMA ELISA DIPHOKO	YES	12	12	12

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Primarily there are two types of Public meetings; those where the municipality gives feedback to the community e.g. (MUNICIPAL PUBLIC ACCOUNTS COMMITTEE) and those in which the input are taken from the public, e.g. IDP. In both instances, the communities are actively involved and assist to move the process forward. The huge advantage with the approach is that matters that are implemented by the municipality come directly from the people themselves.

2.1.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	No
* Section 26 of Municipal Systems Act 2000	

2.1.6 CORPORATE GOVERNANCE

Cooperative governance is governed by King ii & iii Code of Practice applicable to Local Government Sphere.

2.1.7 RISK MANAGEMENT

The municipality is currently busy with human resources process in order to appoint the risk management manager.

2.1.8 ANTI-CORRUPTION AND FRAUD

The Mahikeng Local Municipality is still in process to develop the document Anti –Corruption and Fraud prevention plan and the process is guided through with the assistance of Provincial Local Governance and Human Settlement Department.

2.1.9 SUPPLY CHAIN MANAGEMENT

SCM policy have been drafted and approved by the council in June 2016. The municipality strive for every procurement to be done in line with SCM processes and thresholds outlined in the policy and National Treasury practice notes and guidelines and more so in line with MFMA. Procurement has been centralized to ensure compliance to the procurement process as compared to before when it was decentralized. This was done after the appointment of Head of SCM in October 2017. Senior Managers were also appointed which meant that bid committees were appointed in line with the regulations. The biggest challenge currently facing SCM is lack of staff. Not all functions of SCM are performed effectively due to limited human resources and this compromises the effectiveness of SCM. The Accounting Officer was made aware of this and indicated that job evaluation process is currently underway and all human resources needs will be attended to afterwards.

2.1.10 BY-LAWS

The municipality did not have newly developed by-laws or revised by-laws during the financial year under review.

2.1.11 WEBSITES

Municipal Website: Content and Currency of Material			
Documents published on the Municipality's Website	Yes / No	Publishing Date	
Current annual and adjustments budgets and all budget-related documents	Yes	2018/02	
All current budget-related policies	Yes	2017/07	
The previous annual report 2016/17	Yes	2017/02	
The annual report 2016/17 to be published	Yes	2018/02	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act 2017/18 and resulting scorecards	Yes	2017/08	
All service delivery agreements 2017/18	No		
All long-term borrowing contracts 2017/18	No		
All supply chain management contracts above a prescribed value (give value) for 2017/18	No		
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2017/18	No		
Contracts agreed in 2017/18 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No		
Public-private partnership agreements referred to in section 120 made in 2017/18	No		
All quarterly reports tabled in the council in terms of section 52 (d) during 2017/18	Yes	2018/06	

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS

Every effort is made to keep the website running smoothly. However the Mahikeng Local Municipality takes no responsibility for and will not be liable for the website being temporary unavailable due to technical issues beyond our control

The use of Mahikeng Local municipality website by the public was 3 954 229 hits by June 2018 website monitoring report.

2.1.12 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No surveys on public satisfaction were conducted during the financial year under review.

CHAPTER 3 SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

COMPONENT A: BASIC SERVICES

This component includes: water; sanitation; electricity and free basic services.

INTRODUCTION TO BASIC SERVICES

Basic services in Mahikeng Local Municipality are mainly water; sanitation; electricity, free basic services, and waste management (refuse removal) which will be detailed in component D. There are key operational service delivery needs for the community and the Mahikeng Local Municipality is responsible for maintaining these services and also responsible for Infrastructure development.

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

The municipality is responsible for distributing water in its jurisdiction as the water service provider. It has entered into a service level agreement with Ngaka Modiri Molema District Municipality (NMMDM) the water service authority. The municipality has come up with a project of installing Smart Meters to replace analogue meters in business areas. This project will address challenges in respect of lack of water or broken meters to meet the supply to all urban area households. This will ensure timeous & correct meter reading, billing and invoicing of customers. The meters will allow the stipulated free 6kl water provision in the event of non-payment by the customer.

WATER									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Actual		Target		Actual		Target	
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective : To provide water									
Number of households provided with piped water on site (yard taps, tanks or house connections)	15 303 households provided with piped water on site (yard taps, tanks or house connections) by 30 June 2018	15 303 households provided with piped water on site (yard taps, tanks or house connections) by 30 June 2017	Target Exceeded 16055 households provided with piped water on site (yard taps, tanks or house connections)	15 303 households provided with piped water on site (yard taps, tanks or house connections) by 30 June 2017	15 303 households provided with piped water on site (yard taps, tanks or house connections) by 30 June 2018	Target Exceeded 17799 households provided with piped water on site (yard taps, tanks or house connections)	15 303 households provided with piped water on site (yard taps, tanks or house connections) by 30 June 2019	Not Applicable	Not Applicable
Number of new water connections	40 new water connections by 30 June 2018	300 new water connections by 30 June 2017	Not Achieved 10 new water connections	300 new water connections by 30 June 2017	40 new water connections by 30 June 2018	Not Achieved 16 new water connections	Not applicable	Not Applicable	Not Applicable

WATER									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(viii)	*Current Year (ix)	*Following Year (x)
Number of water meters replaced	12 Bulk & 1000 Domestic water meters replaced by 30 June 2018	Not applicable	Not applicable	Not applicable	12 Bulk & 1000 Domestic water meters replaced by 30 June 2018	Target Exceeded 0 Bulk & 1618 Domestic water meters replaced	Not applicable	Not applicable	Not applicable
Number of water disconnections and reconnections performed	1200 Disconnection & 1200 Reconnections performed by 30 June 2018	Not applicable	Not applicable	Not applicable	1200 Disconnection & 1200 Reconnections performed by 30 June 2018	Not Achieved 272 disconnections & 205 reconnections performed	Not applicable	Not applicable	Not applicable
Number of fire hydrants maintained	180 fire hydrants maintained by 30 June 2018	Not applicable	Not applicable	Not applicable	180 fire hydrants maintained by 30 June 2018	Target Exceeded 337 fire hydrants maintained	Not applicable	Not applicable	Not applicable

WATER									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	*Current Year (viii)	(vii)	*Current Year (ix)	*Following Year (x)
Number of new boreholes constructed	24 new boreholes constructed by 30 June 2018	Not applicable	Not applicable	Not applicable	24 new boreholes constructed by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable
Number of boreholes maintained	24 boreholes maintained by 30 June 2018	Not applicable	Not applicable	Not applicable	24 boreholes maintained by 30 June 2018	48 boreholes maintained by 30 June 2019	48 boreholes maintained by 30 June 2019	Not applicable	Not applicable
Number of liters of fuel (Diesel & Petrol) used to generate boreholes	40000 liters of Petrol & 48000 liters of Diesel used to generate boreholes by 30 June 2018	Not applicable	Not applicable	Not applicable	40000 liters of Petrol & 48000 liters of Diesel used to generate boreholes by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable

WATER									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Number of funerals in rural wards provided with free basic water (tanks waters)	1920 funerals in rural wards provided with free basic water (tanks waters) by 30 June 2018	Not applicable	Not applicable	Not applicable	1920 funerals in rural wards provided with free basic water (tanks waters) by 30 June 2018	Not Achieved 1517 funerals in rural wards provided with free basic water (tanks waters)	Not applicable	Not Applicable	Not Applicable
Number of community tanks in rural wards provided with free basic water	2160 community tanks in rural wards provided with free basic water by 30 June 2018	Not applicable	Not applicable	Not applicable	2160 community tanks in rural wards provided with free basic water by 30 June 2018	Target Exceeded 2822 community tanks in rural wards provided with free basic water	4000 community tanks in rural wards provided with free basic water by 30 June 2019	Not Applicable	Not Applicable

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The capital projects are under Ngaka Modiri Molema District Municipality (NMMDM) infrastructure. The municipality ensures continuous operation. Maintenance of the water distribution network as per the IDP schedule can be attained within approved budget provision. Delays in procurement processes adversely affected performance, creating backlog in meter replacement and installation of zonal meters.

3.2 SANITATION PROVISION

INTRODUCTION TO SANITATION PROVISION

The municipality is responsible for the operation and maintenance of the wastewater network, lift stations and the Mahikeng & Mmabatho Wastewater treatment plants. Ngaka Modiri Molema District Municipality (NMMDM) is responsible for the infrastructure. The NMMDM has an ongoing rehabilitation of electro-mechanical projects in both the treatment plants. The project is meant to optimize the treatment process and disposal of good quality treated effluent. The NMMDM Green Drop Wastewater Quality status is unacceptable due to non-operation of disinfecting system.

SANITATION									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective : To Provide sanitation									
Number of Households provided with access to basic house sewer connections	15303 Households provided with access to basic house sewer connections by 30 June 2018	15303 Households provided with access to basic house sewer connections by 30 June 2017	Not Achieved 15289 Households provided with access to basic house sewer connections	15303 Households provided with access to basic house sewer connections by 30 June 2017	15303 Households provided with access to basic house sewer connections by 30 June 2018	Target Exceeded 17088 Households provided with access to basic house sewer connections	15303 Households provided with access to basic house sewer connections by 30 June 2019	Not Applicable	Not Applicable
Mega litres of wastewater discharged per day	50 Mega litres of wastewater discharged per day	50 Mega litres of wastewater discharged per day	Not Achieved In and out flow of Mega litres of wastewater discharged not measured	50 Mega litres of wastewater discharged per day	50 Mega litres of wastewater discharged per day	KPI removed	Not applicable	Not Applicable	Not Applicable

SANITATION									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		
		Target	Actual	*Previous Year (iii)	Target		*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)								
Number of samples of drinking water and wastewater collected and analysed	304 samples of drinking water and wastewater collected and analysed by 30 June 2018	Not applicable	Not applicable	Not applicable	304 samples of drinking water and wastewater collected and analysed by 30 June 2018	Not Achieved 280 samples of drinking water and wastewater collected and analysed	Not applicable	Not Applicable	Not Applicable
Number of pump stations maintained	17 pump stations maintained by 30 June 2018	Not applicable	Not applicable	Not applicable	17 pump stations maintained by 30 June 2018	Achieved 17 pump stations maintained	32 pump stations maintained by 30 June 2019	Not Applicable	Not Applicable
Number of sewer blockages cleared	800 sewer blockages cleared by 30 June 2018	Not applicable	Not applicable	Not applicable	800 sewer blockages cleared by 30 June 2018	Target Exceeded 1528 sewer blockages cleared	800 sewer blockages cleared by 30 June 2019	Not Applicable	Not Applicable

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

The municipality has rapidly increased providing number of households with access to sanitation in the current year as compared to the previous years.

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The Municipality focused on maintenance of highmast lights, street lights and traffic lights. The statistic report is as follows:

- 626 high mast lights maintained
- 7500 Street lights maintained
- 28 traffic lights intersection were maintained

The Municipality is facilitating the provision of electricity as it does not have the electricity distribution license. To this end areas that require electricity are prioritized in the Integrated Development Plan (IDP) and then submitted to Eskom based on the priorities.

ELECTRICITY									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	*Current Year (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective : Provision of Electricity to Communities									
Number of indigents households with access to free basic electricity	217 indigents households with access to free basic electricity by 30 June 2018	9000 indigents households with access to free basic electricity by 30 June 2017	Not Achieved No free basic electricity for indigents	9000 indigents households with access to free basic electricity by 30 June 2017	217 indigents households with access to free basic electricity by 30 June 2018	Not Achieved No indigents households with access to free basic electricity	Not applicable	Not Applicable	Not Applicable
Number of Street lights maintained (7500 Lights total)	1200 Street lights maintained by 30 June 2018	1300 Street lights maintained by 30 June 2017	Not Achieved 518 Street lights maintained	1300 Street lights maintained by 30 June 2017	1200 Street lights maintained by 30 June 2018	Target Exceeded 435 street lights were maintained	600 Street lights maintained by 30 June 2019	Not Applicable	Not Applicable
Number of high mast lights maintained (626 light total)	120 high mast lights maintained by 30 June 2018	120 high mast lights maintained by 30 June 2017	Target exceeded 314 High mast lights maintained	120 high mast lights maintained by 30 June 2017	120 high mast lights maintained by 30 June 2018	Target Exceeded 658 High mast lights were maintained	400 high mast lights maintained by 30 June 2019	Not Applicable	Not Applicable

ELECTRICITY Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
<i>Service Indicators</i>				*Previous Year (v)	*Current Year (vi)	*Current Year (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Number of traffic lights intersection maintained	40 traffic lights intersection maintained by June 2018	40 traffic lights intersection maintained by June 2017	Target exceeded 115 traffic lights intersection maintained	40 traffic lights intersection maintained by June 2017	40 traffic lights intersection maintained by June 2018	Target Exceeded 84 Traffic lights were maintained	40 traffic lights intersection maintained by June 2019	Not Applicable	Not Applicable
Number of high mast lights constructed In Wards – Ward 1, 2, 26, 28, 33	20 high mast lights constructed in Wards – 1,2,26,28,33 by 30 June 2018	Not applicable	Not applicable	Not applicable	20 high mast lights constructed in Wards – 1,2,26,28,33 by 30 June 2018	Not Achieved 20 high mast poles erected but with no Eskom connection	Not applicable	Not Applicable	Not Applicable
Number of street lights Retrofitted by 30 June 2018	1214 street lights Retrofitted by 30 June 2018	Not applicable	Not applicable	Not applicable	1214 street lights Retrofitted by 30 June 2018	Achieved 1214 street lights were retrofitted	600 street lights Retrofitted by 30 June 2019	Not Applicable	Not Applicable

ELECTRICITY Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	*Current Year (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Number of new households with basic electricity connections from Eskom	Infill's (428) and 1706 households with basic electricity connections from Eskom by 30 June 2018	Infill's (700) and 500 households with basic electricity connections from Eskom by 30 June 2017	Target Exceeded 1203 Households with basic electricity connections from Eskom	Infill's (700) and 500 households with basic electricity connections from Eskom by 30 June 2017	Infill's (428) and 1706 households with basic electricity connections from Eskom by 30 June 2018	Target Exceeded 2191 households with basic electricity connections from Eskom	Not applicable	Not Applicable	Not Applicable

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

As stated above electricity projects are done by Eskom and the role of the Municipality is to prioritize areas in need of electrification and submit the list to Eskom.

3.4 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The municipality free basic services are mainly water supplied to rural *villages /wards* and Indigents receiving 6,000 litres of potable water supplied per formal connection per month and any access above that its payable to the municipality.

The municipality still in progress of compiling the indigents register per 35 wards.

STATISTICS SERVICES FOR FREE BASIC SERVICES AND INDIGENTS SUPPORT

Free basic water/refuse

Rural villages /wards 18 rural villages provided with Free refuse removal
31 rural wards provided with free basic water (Water tanks and boreholes)

FREE BASIC SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	*Current Year (viii)	*Current Year (ix)	*Following Year (x)	
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective : Provision of Provision for Free Basic Services									
Number of indigent households with access to free basic water	213 indigent households with access to free basic water by 30 June 2018	Not applicable	Not applicable	Not applicable	213 indigent households with access to free basic water by 30 June 2018	Target Exceeded 3282 indigent households with access to free basic water	Not applicable	Not Applicable	Not Applicable
Number of indigent Households with Access to Free Basic sanitation.	213 indigent Households with Access to Free Basic sanitation by 30 June 2018	Not applicable	Not applicable	Not applicable	213 indigent Households with Access to Free Basic sanitation by 30 June 2018	Target Exceeded 3282 indigent Households with Access to Free Basic sanitation	Not applicable	Not Applicable	Not Applicable
Number of indigents households with access to free basic electricity	9000 indigents households with access to free basic electricity by 30 June 2017	Not Achieved No free basic electricity for indigents	9000 indigents households with access to free basic electricity by 30 June 2017	Not Applicable	217 indigents households with access to free basic electricity by 30 June 2018	Not Achieved No indigents households with access to free basic electricity	Not Applicable	Not Applicable	Not Applicable

FREE BASIC SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective : Provision of Free Basic Services									
Number of indigents households receiving Free Basic Services	3293 Indigents households receiving Free Basic Services by 30 June 2018	3293 Indigents households receiving Free Basic Services by 30 June 2017	Not achieved 540 Indigents households receiving Free Basic Services	3293 Indigents households receiving Free Basic Services by 30 June 2017	3293 Indigents households receiving Free Basic Services by 30 June 2018	Not achieved 3282 indigents registered	2500 Indigents households receiving Free Basic Services by 30 June 2019	Not Applicable	Not Applicable

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The municipality provided free basic services such as free refuse removal and free water to rural areas. The municipality is in the process of updating its indigent register in order to verify the indigents consuming the free basic services per wards.

COMPONENT B: ROADS

This component includes: roads and waste-water (stormwater drainage).

INTRODUCTION ROADS AND STORMWATER

Road Transport is primarily used in the Municipal's jurisdiction as a form of linkage. Most of the road transport is usage of various forms of the vehicles, donkey carts and the bicycles. It should however be noted that this form of transport is not sufficient as the road infrastructure at large needs to be improved on due to its ageing.

3.5 ROADS

INTRODUCTION TO ROADS

Roads within Mahikeng Local Municipality are classified in different types namely:

- National Roads
- Provincial Roads
- District Roads
- Local (internal) Roads

The municipality focuses on main roads and internal roads in both urban and rural areas. The total kilometer of roads within the municipality is estimated to be 295 Kilometers surfaced roads infrastructure within the urban part of the municipality. Some roads require persistent pothole patching and resealing while some require total reconstruction. About 100kms of rural roads are gravel roads, which some have been upgraded to tar roads. Internal roads in all the rural wards need major constructions and constant maintenance.

MAHIKENG LOCAL MUNICIPALITY ANNUAL REPORT
2017-2018

	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Kilometers Gravel roads graded/maintained
2015/16	553	0	0	0
2016/17	553	0	3.5	0
2017/18	553	0	0	0.133

Tarred Road Infrastructure					Kilometers
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2015/16	295	0	2.8	0	25
2016/17	295	0	6.3	0	30.38
2017/18	295	5.7	0	0	1.7

Cost of Construction/Maintenance						R' 000
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2015/16	0	0	8 854 540	0	0	5 108 476
2016/17	0	12 500 000	0	0	21 500 000	6 301 074
2017/18	0	0	0	30 517 968	0	3 448 500

ROADS									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective : Provision of Roads and storm water to communities									
Number of kilometers of tar road constructed at Thembane Phase 1 (Multiyear project 2015-16 & 2017-18)	2.2 KMs of tar road constructed in Thembane Phase 1 (Ward 5) by 30 June 2018	2.2 KMs of tar road constructed in Thembane Phase 1 (Ward 5) by 30 June 2017	Not Achieved Road not constructed to tar in Thembane Phase 1	2.2 KMs of tar road constructed in Thembane Phase 1 (Ward 5) by 30 June 2017	2.2 KMs of tar road constructed in Thembane Phase 1 (Ward 5) by 30 June 2018	Not Achieved 2.2 KMs of tar road constructed in Thembane Phase 1 not completed	Not applicable	Not Applicable	Not Applicable
Number of kilometers of gravel road upgraded to tar at Setumo high school road (Multiyear project 2015-16 & 2017-18)	2,7 KMs gravel road upgraded to tar at Setumo high school road by 31 August 2017	2,7 KMs gravel road upgraded to tar at Setumo high school road by 31 August 2017	Not Achieved Road not upgraded to tar at Setumo high school road	2,7 KMs gravel road upgraded to tar at Setumo high school road by 31 August 2017	2,7 KMs gravel road upgraded to tar at Setumo high school road by 31 August 2017	Not Achieved 1.5 KMs and kerbs of kms gravel road upgraded to tar at Setumo high school road	Not applicable	Not Applicable	Not Applicable

ROADS									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Actual		Actual		Actual		Actual	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Number of kilometers of tar road constructed in Ward 30 (Multiyear project 2015-16 & 2017-18)	1,3 KMs of tar road constructed in Ward 30 by 31 August 2017	1,3 KMs of tar road constructed in Ward 30 by 31 August 2016	Not Achieved Road not constructed in Ward 30	1,3 KMs of tar road constructed in Ward 30 by 31 August 2016	1,3 KMs of tar road constructed in Ward 30 by 31 August 2017	Not Achieved 1,3 KMs of paving road constructed in Ward 30 completed but not handed over by 30 June 2018	Not applicable	Not applicable	Not applicable
Kilometers of Storm Water Drainage System Maintained in Extension 39 Formal Settlement	2 KMs Storm Water Drainage System Maintained in Extension 39 Formal Settlement	Not applicable	Not applicable	Not applicable	2 KMs Storm Water Drainage System Maintained in Extension 39 Formal Settlement	KPI removed	Not applicable	Not applicable	Not applicable
Number of kilometers of surfaced roads upgraded in unit 14; Zobo	6.7KMs of surfaced roads upgraded in unit 14; Zobo	Not applicable	Not applicable	Not applicable	6.7KMs of surfaced roads upgraded in unit 14; Zobo	KPI removed	Not applicable	Not applicable	Not applicable

ROADS									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators		(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
road; First street; South Street	(ii) road; First street; South Street by 30 June 2018				road; First street; South Street by 30 June 2018				
Number of kilometers of surfaced roads upgraded in unit 14 and Unit 12	2.5KMs of surfaced roads upgraded in unit 14(1.5KM) and Unit 12(1KM) by 28 February 2018	Not applicable	Not applicable	Not applicable	2.5KMs of surfaced roads upgraded in unit 14(1.5KM) and Unit 12(1KM) by 28 February 2018	Not Achieved Project in complete. Unit 14 roads unsatisfactory, unit 12 - GYPSY road still need resealing	Not applicable	Not Applicable	Not Applicable
Number of kilometers of surfaced roads upgraded in Zobo road	2.5 KMs of surfaced roads upgraded in Zobo road by 28 February 2018	Not applicable	Not applicable	Not applicable	2.5 KMs of surfaced roads upgraded in Zobo road by 28 February 2018	Achieved 2.5 KMs of surfaced roads upgraded in Zobo road	Not applicable	Not Applicable	Not Applicable

ROADS										
Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20	
		Target	Actual	Target	*Current Year		*Current Year	Target	*Current Year	*Following Year
Service Indicators		(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(x)
Number of kilometers of surfaced roads upgraded in First street and South Street	(ii) 1.7 KMs of surfaced roads upgraded in First street(1KM) and South Street (0.7KM)by 28 February 2018	Not applicable	Not applicable	Not applicable	1.7 KMs of surfaced roads upgraded in First street(1KM) and South Street (0.7KM)by 28 February 2018	Achieved 1.7 KMs of surfaced roads upgraded in First street(1KM) and South Street (0.7KM)	Not applicable	Not Applicable	Not Applicable	Not Applicable
Number of kilometers of gravel roads maintained (bladed)	8 KMs gravel roads maintained (bladed) by 30 June 2018	8 KMs gravel roads maintained (bladed) by 30 June 2017	Not Achieved Gravel roads not maintained (bladed)	8 KMs gravel roads maintained (bladed) by 30 June 2017	8 KMs gravel roads maintained (bladed) by 30 June 2018	Not Achieved 0.133 KMs gravel roads maintained (bladed)	8 KMs gravel roads maintained (bladed) by 30 June 2019	Not Applicable	Not Applicable	Not Applicable
Number of speed humps constructed	12 speed humps constructed by June 2018	60 speed humps constructed by June 2017	Not Achieved 9 Speed Humps Constructed	60 speed humps constructed by June 2017	12 speed humps constructed by June 2018	Target Exceeded 18 speed humps constructed	Not applicable	Not Applicable	Not Applicable	Not Applicable

ROADS									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Number of kilometers of Storm Water Drainage System Maintained	20 KMs Storm Water Drainage System Maintained by 30 June 2018	20 KMs Storm Water Drainage System Maintained by 30 June 2017	Not Achieved 13.88 KMs Storm Water Drainage System Maintained	20 KMs Storm Water Drainage System Maintained by 30 June 2017	20 KMs Storm Water Drainage System Maintained by 30 June 2018	Target Exceeded 2.8808 kms Storm Water Drainage maintained	Not applicable	Not Applicable	Not Applicable
Number of damaged Street Names and Plates Replaced	20 damaged Street Names and Plates Replaced by 30 June 2018	100 damaged Street Names and Plates Replaced by 30 June 2017	Not Achieved No damaged Street Names and Plates Replaced	100 damaged Street Names and Plates Replaced by 30 June 2017	20 damaged Street Names and Plates Replaced by 30 June 2018	Target Exceeded 61 street names were replaced	Not applicable	Not Applicable	Not Applicable
Number of kilometers of surfaced roads patched and resealed	20 KMs of surfaced roads patched and resealed by 30 June 2018	20 KMs of surfaced roads patched and resealed	Target exceeded 27.45 KMs of roads were patched and resealed	20 KMs of surfaced roads patched and resealed	20 KMs of surfaced roads patched and resealed by 30 June 2018	Not Achieved 10.61509 KMs Roads patched	20 KMs of surfaced roads patched and resealed by 30 June 2019	Not Applicable	Not Applicable

ROADS									
Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20
		Target	Actual	Target	*Current Year		*Current Year	*Current Year	
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	(vi)	(vii)	(viii)	(ix)	*Following Year (x)
		by 30 June 2017	resealed	by 30 June 2017					

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The roads started to be visible when the office of the Premier introduces the MRRRP. The main problem was shortage of resources and insufficient budget.

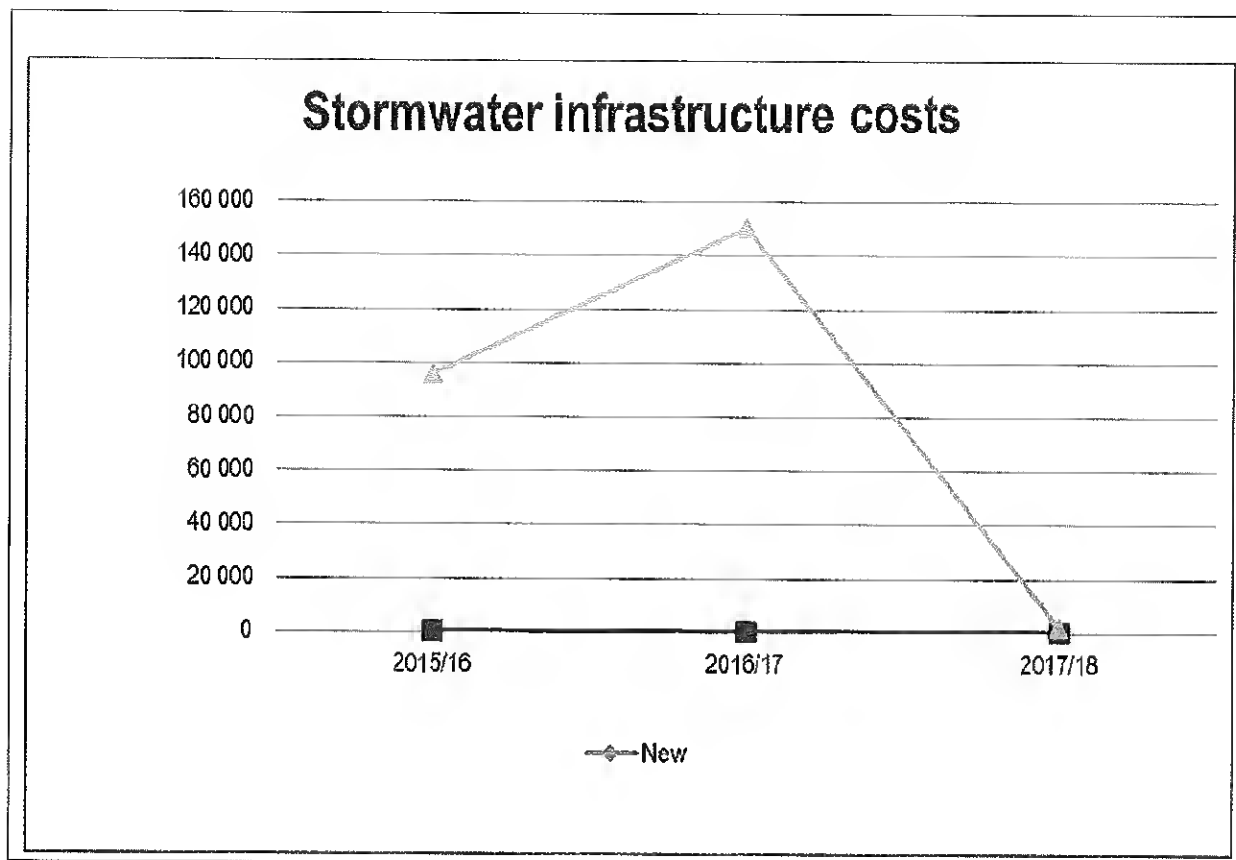
3.6 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

Stormwater drainage system is a serious concern as it has been neglected for a long time. For the past years focus was only on roads repair not drainage system as a result the Stormwater drainage system has silted or even blocked. We have two teams with averagely 10 members who are only able to do minor maintenance (i.e. to remove small shrubs and sand in shallow Stormwater channels). For big channels and pipes there is still a challenge to maintain and the other factor is that the community that has turned those big channels into dumping areas. The total length of Stormwater drainage system is 166 km which is still a challenge to cover the entirety.

Stormwater Infrastructure				Kilometers
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2015/16	166	0	0	17
2016/17	166	0	0	6.85
2017/18	166	0	0	10.8

Cost of Construction/Maintenance				R' 000
	Stormwater Measures			
	New	Upgraded	Maintained	
2015/16	0	0		95 736
2016/17	0	0		150 000
2017/18	0	0		2 234



COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

Storm-water is a very sensitive aspect as it requires more effects, if it is given the necessary attention it will reduce the backlog on potholes patching. Maintenance of storm-water drainage has been neglected for a long time therefore the performance is not satisfactory.

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

Government is committed to economic growth, employment creation, sustainable service delivery, poverty alleviation programmes and the eradication of historic inequalities. In order to ensure that infrastructure investment and development programmes are channelled towards these objectives, the National Spatial Development Perspective (NSDP) was formulated. The principles enshrined in the NSDP are thus of great importance to local government investment, through the IDP and capital expenditure.

The National Spatial Development Vision is as follows:

South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives:

- By focusing economic growth and employment creation in areas where this is most effective and sustainable;
- By supporting restructuring to ensure greater competitiveness;
- By fostering development on the basis of local potential; and
- By ensuring that development institutions are able to provide basic needs throughout the country.

3.7 PLANNING

INTRODUCTION TO PLANNING

Planning is an essential part of ensuring that a product is realised effectively and efficiently within prescribed time frames and budgets in compliance with legislative requirements. Basic planning responsibilities cut across the following sectors within the directorate:

- Public Transportation Planning
- Housing Provision
- Tourism and Marketing of SMME products

National Spatial Development Perspective

Government is committed to economic growth, employment creation, sustainable service delivery, poverty alleviation programmes and the eradication of historic inequalities. In order to ensure that infrastructure investment and development programmes are channelled towards these objectives, the National Spatial Development Perspective (NSDP) was formulated. The principles enshrined in the NSDP are thus of great importance to local government investment, through the IDP and capital expenditure.

The NSDP seeks to focus the bulk of fixed investment of government on those areas with the potential for sustainable economic development, as it is in these areas where government's objectives of promoting economic growth and alleviating poverty will best be achieved.

Planning is guided by the following legislative documents:

The Spatial Developmental Framework; The Constitution of SA Act 108 of 1996; The Town Planning Land Use Management Act of 1998; The Environmental Act; The new SPLUMA Spatial Land Use Management Act 16 of 2013 and developmental principles.

Top three priorities include:

1. Provide spatial and town planning services (land use management).
2. Facilitate provisions of human settlement.
3. Promote local Economic Development, Tourism and Rural Development.

Spatial Developmental Framework was reviewed and adopted by council on the 6 November 2014. SPLUMA was promulgated in August 2014 and is to be implemented in July 2015. The above two pieces of legislation will aim to guide spatial rationale in an integrated manner.

Some of the achievements with regard to Local Economic Development includes:

1. Emergency (temporary shelters) houses built;
2. Low Cost Houses provided to destitute families;
3. SMME's trained in establishing business enterprises, vegetable gardens; and
4. School greening projects initiated. .

Applications for Land Use Development						
Detail	Formalisation of Townships		Land Use Applications		Building Plans	
	Year 2016/17	Year 2017/18	Year 2016/17	Year 2017/18	Year 2016/17	Year 2017/18
Planning application received	0	0	3	25	202	237
Determination made in year of receipt	0	0	1	11	27	219
Determination made in following year	0	0	0	0	175	47
Applications withdrawn	0	0	0	0	0	13
Applications outstanding at year end	0	0	2	14	0	18

PLANNING Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2015/16		Year 2016/17		Year 2017/18		Year 2018/19	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Promote spatial planning and Promote Environmental Management Compliance									
Number of new township established	2 new township established submitted to Municipal Planning Tribunal by 30 June 2018 (DLGHS Rooigrond and HDA Rooigrond)	2 new township established submitted to Municipal Planning Tribunal by 30 June 2018 (DLGHS Rooigrond and HDA Rooigrond)	Not Achieved No report on new township established	2 new township established submitted to Municipal Planning Tribunal by 30 June 2018 (DLGHS Rooigrond and HDA Rooigrond)	2 new township established submitted to Municipal Planning Tribunal by 30 June 2018 (DLGHS Rooigrond and HDA Rooigrond)	Not achieved Township establishment application has not been submitted to the Mahikeng Municipal Planning Tribunal.	Not applicable	Not applicable	Not Applicable
Number of reports on land acquisition	4 reports on land acquisition by 30 June 2018	Not applicable	Not applicable	Not applicable	4 reports on land acquisition by 30 June 2018	KPI removed	Not applicable	Not Applicable	Not Applicable

Number of rezoning applications processed within 90 days from date of submission	10 rezoning applications processed within 90 days from date of submission by 30 June 2018	10 rezoning applications processed within 90 days from date of submission by 30 June 2017	Not Achieved Rezoning applications not been met within 90 days from date of submission	10 rezoning applications processed within 90 days from date of submission by 30 June 2017	10 rezoning applications processed within 90 days from date of submission by 30 June 2017	10 rezoning applications processed within 90 days from date of submission by 30 June 2017	KPI removed	Not applicable	Not Applicable	Not Applicable
Number of building plans applications processed within 30 days from date of submission	40 building plans applications processed within 30 days from date of submission by 30 June 2018	40 building plans applications processed within 30 days from date of submission by 30 June 2017	Not Achieved Applications for building plans was not been met within 30 days from date of submission	40 building plans applications processed within 30 days from date of submission by 30 June 2017	40 building plans applications processed within 30 days from date of submission by 30 June 2017	40 building plans applications processed within 30 days from date of submission by 30 June 2018	Target exceeded 132 Building Plans applications were processed within 30 days from date of submission	40 building plans applications processed within 30 days from date of submission by 30 June 2019	Not Applicable	Not Applicable
Number of interim valuation of newly approved building processed within 21 days of completion	80 interim valuation of newly approved building processed within 21 days of completion of structure by	80 interim valuation of newly approved building processed within 21 days of completion of structure by	Not Achieved Approved building not been met within 21 days of completion of structure	80 interim valuation of newly approved building processed within 21 days of completion of structure by	80 interim valuation of newly approved building processed within 21 days of completion of structure by	80 interim valuation of newly approved building processed within 21 days of completion of structure by	KPI removed	Not applicable	Not Applicable	Not Applicable

of structure	30 June 2018	30 June 2017		structure by 30 June 2017	30 June 2018				
Number of interim valuation of extended/renovated approved building Within 21 days of completion of structure	40 interim valuation of extended/renovated approved building Within 21 days of completion of structure by 30 June 2018	40 interim valuation of extended/renovated approved building Within 21 days of completion of structure by 30 June 2017	Not Achieved Approved building not been met within 21 days of completion of structure	40 interim valuation of extended/renovated approved building Within 21 days of completion of structure by 30 June 2017	40 interim valuation of extended/renovated approved building Within 21 days of completion of structure by 30 June 2018	KPI removed	Not applicable	Not Applicable	Not Applicable
Number of land development (rezoning, departure, special consent, subdivision and consolidation) applications	20 land development applications processed within 90 days from date of submission by 30 June 2018	Not applicable	Not applicable	Not applicable	20 land development applications processed within 90 days from date of submission by 30 June 2018	Target exceeded 26 Land Development Applications decided on by the Land Development Officer	20 land development applications processed within 90 days from date of submission by 30 June 2019	Not Applicable	Not Applicable

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Council							currently on public participation			
Mahikeng Land Use Scheme approved by Council and Promulgated	Approved Mahikeng Land Use Scheme by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Achieved Council adopted the Mahikeng Land Use Scheme on the 29 May 2018. Adoption notice appeared on the North West Provincial Gazette on 12 June 2018	Not applicable	Not Applicable	Not Applicable
Number of Reports on Building Contraventions	2 reports on building contraventions issued by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Achieved 2 reports on building contraventions issued	4 reports on building contraventions issued by 30 June 2019	Not Applicable	Not Applicable
Number of reports on occupational certificates issued on completed buildings by	2 reports on occupational certificates issued on completed buildings by	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Achieved 2 reports on occupational certificates issued on completed	4 reports on occupational certificates issued on completed buildings by 30	Not Applicable	Not Applicable

buildings	30 June 2018				30 June 2018	buildings	June 2019		
Number of reports compiled on low cost houses facilitated	4 reports compiled on low cost houses facilitated by 30 June 2018	4 reports compiled on low cost houses facilitated by 30 June 2017	Achieved Reports were compiled on monitored low cost houses facilitated	4 reports compiled on low cost houses facilitated by 30 June 2017	4 reports compiled on low cost houses facilitated by 30 June 2018	Achieved 4 report on low cost houses facilitated compiled	4 reports compiled on low cost houses facilitated by 30 June 2019	Not Applicable	Not Applicable
Number of Beneficiary applications processed and submitted to DLGHS	4 reports compiled on beneficiary applications processed by 30 June 2018	Not applicable	Not applicable	Not applicable	4 reports compiled on beneficiary applications processed by 30 June 2018	Not achieved 1 report compiled on beneficiary applications processed	4 reports compiled on beneficiary applications processed by 30 June 2019	Not Applicable	Not Applicable
Level 1 Housing Accreditation Application Submitted	Level 1 Accredited by 30 June 2018	Not applicable	Not applicable	Not applicable	Level 1 Accredited by 30 June 2018	Not achieved DLGHS is only considering the supporting the Municipality develop Business Plan in September 2018	Not applicable	Not Applicable	Not Applicable
Number of Environmental audits conducted	1 Environmental audit conducted by	1 Environmental audit conducted by	Not Achieved No environmental	1 Environmental audit conducted by	1 Environmental audit conducted by	KPI removed	1 Environmental audit conducted by 30 June 2019	Not Applicable	Not Applicable

	30 June 2018	30 June 2017	audit conducted	30 June 2017	30 June 2018				
Number of reports on environmental scoping comments provided	2 reports on scoping comments by 30 June 2018	Not applicable	Not applicable	Not applicable	2 reports on scoping comments by 30 June 2018	Not achieved 2 reports on scoping comments compiled	Not applicable	Not Applicable	Not Applicable

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The planning section appointed a town planner during the year under review and she has worked very hard to feel up the gaps the municipality has been experiencing.

3.8 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

Mahikeng Local Municipality is faced by development problem in that a mix of urban and rural economies characterizes the municipal area of jurisdiction, thus ranging from a relatively strong economic performance to relatively isolated rural settlements with high levels of poverty. As a municipality, it has a specific coordination and facilitation responsibilities, which need to be addressed in an innovative manner to initiate and promote integrated and sustainable LED as well as to attract investments.

The municipality's LED Strategy its purpose is to collate all economic information and investigate the coordinated and integrated options and opportunities available to broaden the economic base of the study area, packaged as a strategic implementation framework in order to address the creation of employment opportunities, investment and business development and the resultant positive spin-off effects throughout the district economy.

Some of the critical relevant economic activities within the main economic sectors are Agriculture, Mining, Manufacturing, Trade and Tourism. The Standard Industrial Classification does not define Tourism as an economic sector, but because it is such an important industry in terms of potential job creation. Local Economic Development aims to address and reduce Poverty alleviation through introducing sustainable projects and job creation in wards.

There is a growing need for LED projects especially within our rural communities. Almost 50% of the wards have prioritized the provision of LED projects, especially in the area of small scale commercial farming with the potential for income-generation and the reduction of unemployment.

"The NDP contains proposals for tackling the problems of poverty, inequality and unemployment. It is a roadmap to a South Africa where all will have water, electricity, sanitation, jobs, housing, public

transport, adequate nutrition, education, social protection, quality healthcare, recreation and a clean environment.”

Youth in particular came strong on matters relating to projects implementation as a result the Municipality decided that it will develop plans to help sustain youth development and empowerment.

LED includes provincial and local context and will result in detailed opportunities and constraints from sectoral opportunities and constraints which will serve as the basis for possible future Local Economic Development projects.

COMMENT ON LOCAL JOB OPPORTUNITIES:

Local Economic Development aims to address and reduce Poverty alleviation through introducing sustainable projects and job creation in wards 35 wards. The 16 entrepreneur were supported on greening project including school.

Job creation through Extended Public Works Programme (EPWP) projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2014/15	7	500
2015/16	7	500
2016/17	6	250
2017/18	6	250

LOCAL ECONOMIC DEVELOPMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2015/16		Year 2016/17		Year 2017/18		Year 2018/19	
		Target		Actual		Target		Actual	
		*Previous Year (v)		*Current Year (vi)		*Current Year (viii)		*Following Year (x)	
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Promote Economic Growth									
Number of schools supported through School Greening Programme	4 schools supported through School Greening Programme by 30 June 2018	4 schools supported through School Greening Programme by 30 June 2017	Not achieved 3 Schools supported through School Greening Programme	4 schools supported through School Greening Programme by 30 June 2017	4 schools supported through School Greening Programme by 30 June 2018	Not Achieved No schools supported through School Greening Programme	Not applicable	Not applicable	Not Applicable
Number of farming supported	20 farming supported by 30 June 2018	Not applicable	Not applicable	Not applicable	20 farming supported by 30 June 2018	Not Achieved 7 farming projects supported	20 farming supported by 30 June 2019	Not Applicable	Not Applicable
Number of Community Projects established	4 Community Projects established by 30 June 2018	4 Community Projects established by 30 June 2017	Not achieved No Community Projects established	4 Community Projects established by 30 June 2017	4 Community Projects established by 30 June 2018	Not Achieved No community Projects established	Not applicable	Not Applicable	Not Applicable
Number of Sports, Arts, cultural development	1 Sports, Arts, cultural development supported by 31	1 Sports, Arts, cultural development supported by 31	Achieved 1 Sports, Arts, cultural development	1 Sports, Arts, cultural development supported	1 Sports, Arts, cultural development supported by	Target exceeded 4 Sports, Arts, cultural development	3 Sports, Arts, cultural development supported by	Not Applicable	Not Applicable

supported	December 2017	December 2016	supported	by 31 December 2016	31 December 2017	supported	31 December 2017		
Number of reports on flea Markets developed	4 reports on flea Markets developed by 30 June 2018	Not applicable	Not applicable	Not applicable	4 reports on flea Markets developed by 30 June 2018	<i>Not Achieved</i> No report on flea Markets developed	Not applicable	Not Applicable	Not Applicable
Number of SMMEs trained	45 SMMEs trained by 30 June 2018	45 SMMEs trained by 30 June 2017	<i>Not achieved</i> No SMMEs trained	45 SMMEs trained by 30 June 2017	45 SMMEs trained by 30 June 2018	<i>Target exceeded</i> 113 SMMEs trained	60 SMMEs trained by 30 June 2019	Not Applicable	Not Applicable
Number of SMMEs supported through LED	20 SMMEs supported through LED by 30 June 2018	Not applicable	Not applicable	Not applicable	20 SMMEs supported through LED by 30 June 2018	<i>Not Achieved</i> 2 SMMEs supported through LED	20 SMMEs supported through LED by 30 June 2019	Not Applicable	Not Applicable
Number of Workshop with other sectors held	2 Workshop with other sectors held by 31 March 2018	2 Workshop with other sectors held by 31 March 2017	<i>Not achieved</i> 1 Workshop with other sectors	2 Workshop with other sectors held by 31 March 2017	2 Workshop with other sectors held by 31 March 2018	<i>Target exceeded</i> 4 Workshop with other sectors held	Not applicable	Not Applicable	Not Applicable
Tourism Policy reviewed and adopted	Tourism Policy reviewed and adopted by 30 June 2018	Not applicable	Not applicable	Not applicable	Tourism Policy reviewed and adopted by 30 June 2018	<i>Not Achieved</i> No Tourism Policy reviewed and adopted	Tourism Policy reviewed and adopted by 30 June 2019	Not Applicable	Not Applicable

Number of reports on revamping the heritage sites	2 reports on revamping the heritage sites by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable	2 reports on revamping the heritage sites by 30 June 2018	<i>Not Achieved</i> No report on revamping the heritage sites	Not applicable	Not applicable	Not applicable	Not applicable
Number of reports on informal street traders licensed	4 reports on informal street traders licensed by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable	4 reports on informal street traders licensed by 30 June 2018	<i>Not Achieved</i> 1 reports on informal street traders licensed	60 reports on informal street traders licensed by 30 June 2019	Not applicable	Not applicable	Not applicable
Number of reports on prioritized high impact projects	4 reports on prioritized high impact projects by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable	4 reports on prioritized high impact projects by 30 June 2018	<i>Achieved</i> 4 report on prioritized high impact projects	Not applicable	Not applicable	Not applicable	Not applicable
Number of MRRRP meeting attended	4 MRRRP meeting attended	Not applicable	Not applicable	Not applicable	Not applicable	4 MRRRP meeting attended	<i>Not Achieved</i> No MRRRP meeting attended	4 MRRRP meeting attended	Not applicable	Not applicable	Not applicable
LED Forum established	LED Forum established by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable	LED Forum established by 30 June 2018	<i>Not Achieved</i> No LED Forum established	Not applicable	Not applicable	Not applicable	Not applicable

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Local Economic Development includes all activities associated with economic development initiatives. Subsistence agriculture is practiced widely by rural communities while commercial agriculture contributed almost R146m (3.5%) to the total GDP for 2004. Between 2001 and 2004, strong growth (6.6% p.a.) was reported for the local agricultural sector.

The function of economic planning / development within the municipality is administered as follows and includes:

1. Marketing & Tourism Management
2. Project Management in Agriculture

These services extend to include economic development, but do not take account of economic development which resides within the jurisdiction of District Municipality and North West Provincial Government. The municipality has a mandate to capacitate and support SMME's.

The Strategic objective of this function is to train SMMEs on tendering, business management and marketing.

3.9 HOUSING

INTRODUCTION TO HOUSING

Housing provision is facilitated by the Municipality as the second strategic objective of the Planning and Development Directorate managed by the housing unit. The municipality is currently not accredited to procure and build houses for the needy. That function is still managed by the department of Local Government and Human Settlements.

The housing section through the facilitation role ensures that the RDP houses are built properly according to approved building plans and that the correct beneficiaries are allocated their houses once completed in order to prevent vandalism and theft. Housing RDP/Low cost houses are provided in wards.

The municipality is faced with challenges with regard to build RDP houses such as a reported renting of houses at Danville, Ext 38; unoccupied RDP houses; handling of housing beneficiary lists; as well as communication of disapproval reasons by the department.

The aim of the municipality is to obtain a level one and two accreditation to enable the municipality to be in control to procure registered building contractors and to be able to better manage their quality of workmanship and progress in terms of budgets and time frames.

The following are the top three priorities:

1. Land provisions and acquisition
2. Building plan approvals.
3. Construction compliance and quality control.

The function of provision of housing within the municipality is administered as follows and includes:

- * Land Use Management
- * Spatial Planning
- * Housing Provision
- * Building Control
- * Property Valuation & Management
- * Transportation Planning
- * Geographical Information System
- * Environmental Management

These services extend to include housing, but do not take account of housing which resides within the jurisdiction of Ngaka Modiri Molema District Municipality, North West Provincial government. The municipality has a mandate to:

Facilitate housing projects allocated from Housing Department, report on progress made on housing backlogs and project manage all their housing projects

The strategic objective of the housing function is to reduce the Housing backlog within the urban & rural areas.

HOUSING

Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2017/18		Year 2018/19	
		Target	Actual	Target	Actual	*Current Year	Target	*Current Year	*Following Year
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Provide Human Settlement									
Number of reports compiled on low cost houses facilitated	4 reports compiled on low cost houses facilitated by 30 June 2018	4 reports compiled on low cost houses facilitated by 30 June 2017	Achieved Reports were compiled on monitored low cost houses facilitated	4 reports compiled on low cost houses facilitated by 30 June 2017	4 reports compiled on low cost houses facilitated by 30 June 2018	Achieved 4 report on low cost houses facilitated compiled	4 reports compiled on low cost houses facilitated by 30 June 2019	Not Applicable	Not Applicable
Number of Beneficiary applications processed and submitted to DLGHS	4 reports compiled on beneficiary applications processed by 30 June 2018	Not applicable	Not applicable	Not applicable	4 reports compiled on beneficiary applications processed by 30 June 2018	Not achieved 1 report compiled on beneficiary applications processed	4 reports compiled on beneficiary applications processed by 30 June 2019	Not Applicable	Not Applicable

Level 1 Housing Accreditation Application Submitted	Level 1 Accredited by 30 June 2018	Not applicable	Not applicable	Not applicable	Level 1 Accredited by 30 June 2018	<i>Not achieved</i> DLGHS is only considering the supporting the Municipality develop Business Plan in September 2018	Not applicable	Not Applicable	Not Applicable
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COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

Housing delivery is low as there is still a backlog of houses to be constructed. There is more demand than supply which means that there is a huge shortage of rented housing as well as ownership of housing. Housing projects are facilitated by the Municipality; and procured and funded by the Department of Human Settlements.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries; community halls; cemeteries and crematoria; Parks and Stadiums; and Refuse removal and waste management

3.10 LIBRARIES AND COMMUNITY FACILITIES

INTRODUCTION TO LIBRARIES AND COMMUNITY FACILITIES

The Library function offers information services that meet the educational, recreational, development and cultural needs of the people of Mahikeng.

We presently have 6 Functional libraries and they are situated as follows:

- Mmabatho Library
- Mahikeng Library
- Barolong Boo Ratshidi Library
- Danville Library
- Miga Library
- Ottoshoop Library
- Lomanyaneng Library

All the libraries cater for the area they are in and the surrounding villages. Support is given to the poor communities by helping the children with home-works, school projects and promoting the culture of learning as part of promoting literacy.

LIBRARIES AND COMMUNITY FACILITIES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	*Current Year (viii)	*Current Year (ix)	*Following Year (x)	
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
To provide and maintain community facilities libraries community halls									
Number of new library membership received	200 new library membership received by 30 June 2018	200 new library membership received by 30 June 2017	Target exceeded 303 New library memberships received	200 new library membership received by 30 June 2017	200 new library membership received by 30 June 2018	Target Exceeded 536 new library membership received	200 new library membership received by 30 June 2019	Not Applicable	Not Applicable
Number of Library Services Awareness campaigns conducted	2 Library services awareness campaigns conducted by 30 June 2018	2 Library services awareness campaigns conducted by 30 June 2017	Target exceeded 3 Library services awareness campaigns conducted	2 Library services awareness campaigns conducted by 30 June 2017	2 Library services awareness campaigns conducted by 30 June 2018	Target exceeded 4 library services awareness campaign	4 Library services awareness campaigns conducted by 30 June 2019	Not Applicable	Not Applicable
Number of reports on piloting of mobile library services in wards	4 reports on piloting of mobile library services in wards by 30 June 2018	Not applicable	Not applicable	Not applicable	4 reports on piloting of mobile library services in wards by 30 June 2018	Achieved 4 report on the piloting of the mobile library	4 reports on piloting of mobile library services in wards by 30 June 2019	Not Applicable	Not Applicable

Number of Civic Centre bookings per customer	60 Civic Centre bookings per customer by 30 June 2018	60 Civic Centre bookings per customer by 30 June 2017	Target exceeded 94 Civic Centre bookings	60 Civic Centre bookings per customer by 30 June 2017	60 Civic Centre bookings per customer by 30 June 2018	Target Exceeded 83 Civic Centre bookings per customer	60 Civic Centre bookings per customer by 30 June 2018	Not Applicable	Not Applicable

COMMENT ON THE PERFORMANCE OF LIBRARIES AND COMMUNITY FACILITIES

The library is there to ensure access for all communities: to initiate library awareness campaigns and promote awareness of reading. The measures that were taken to improve performance was that of partnering with NPO's, government departments and schools.

3.11 CEMETORIES AND CREMATORIALS

INTRODUCTION TO CEMETORIES & CREMATORIALS

Cemetery means a land within the area of jurisdiction of Mahikeng Local Municipality which Council has set aside as Cemetery.

The Mahikeng Cemetery contains certain specific section dedication for the use of particular minority ethnic groups.

The top 3 service priorities is:

1. The burial of ashes, indigents and unclaimed bodies;
 2. Recording of burials;
- Assisting with exhumation and claiming of graves and ablution blocks.

The Mahikeng Local Municipality have 5 cemeteries to maintain

Cemeteries and Crematoriums Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20
		Target	Actual	Target			*Current Year	*Following Year	
<div>Service Indicators</div> <div>(i)</div>	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(viii)	(ix)	(x)
Service Objective Provide public amenities for various communities									
Number of Cemeteries maintained	3 Cemeteries maintained by 30 June 2018	5 Cemeteries maintained by 30 June 2017	Achieved 5 Cemeteries were maintained	5 Cemeteries maintained by 30 June 2017	3 Cemeteries maintained by 30 June 2018	Achieved 3 cemeteries maintained	3 Cemeteries maintained by 30 June 2019	Not Applicable	Not Applicable

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIALS OVERALL:

The Municipality was giving support to communities that are living in poverty. According to the Health Act, Act 63 of 1977 the local authority takes the responsibility for the removal and burial of the body of a destitute person or any dead body unclaimed or which no competent person undertake to bury and thus bury. The objective of the Mahikeng Local Municipality is to assist in the indigent families in the burial of the deceased.

3.12 PARKS AND STADIUMS

INTRODUCTION TO PARKS

Mahikeng Local Municipality acknowledges that Parks section touches virtually every aspect of nation ethos. Our priorities are to provide clean and safe environmental Sports field, stadiums and beautiful parks. The major challenge is Lack of proper facilities and Absence of skilled personnel such as umpires; technical officials and professional coaches mostly in rural areas.

PARKS AND RECREATION SERVICES Policy Objectives Taken From IDP									
Service Objectives Service Indicators	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20
		Target	Actual	Target			*Current Year	Target	
				*Previous Year	*Current Year				
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Provide Parks and Recreation services									
Number of parks maintained	10 Parks maintained by 30 June 2018	10 Parks maintained by 30 June 2017	Achieved 10 Parks were maintained	10 Parks maintained by 30 June 2017	10 Parks maintained by 30 June 2018	Target exceeded 11 Parks maintained	10 Parks maintained by 30 June 2019	Not Applicable	Not Applicable
Number of wards where grass is cut in open spaces and sidewalks	10 wards where grass is cut in open spaces and sidewalks by 30 June 2018	10 wards where grass is cut in open spaces and sidewalks by 30 June 2017	Target exceeded 16 wards where grass is cut in open spaces and sidewalks	10 wards where grass is cut in open spaces and sidewalks by 30 June 2017	10 wards where grass is cut in open spaces and sidewalks by 30 June 2018	Target Exceeded 21 wards with grass cut in open spaces and sidewalks	10 wards where grass is cut in open spaces and sidewalks by 30 June 2019	Not Applicable	Not Applicable
Number of Park bookings	20 Park bookings by 30 June 2018	20 Park bookings by 30 June 2017	Target exceeded 28 Park bookings	20 Park bookings by 30 June 2017	20 Park bookings by 30 June 2018	Not achieved 27 park bookings	Not applicable	Not Applicable	Not Applicable
Number of Stadiums bookings	20 Stadiums bookings by 30 June 2018	20 Stadiums bookings by 30 June 2017	Not Achieved 4 Stadiums bookings	20 Stadiums bookings by 30 June 2017	20 Stadiums bookings by 30 June 2018	Target Exceeded 6 Stadiums	Not applicable	Not Applicable	Not Applicable

bookings

COMMENT ON THE PERFORMANCE OF PARKS OVERALL:

Top 3 service delivery priorities:

- a. To contribute towards rural development, healthy life style and social cohesion.
- b. Continue regular maintenance of the rural sport fields by mowing and cutting tall grasses to make the pitch playable.
- c. To ensure that a solid foundation is laid for development and recreational facilities.

Measures taken to improve performance:

- To carry out assessments on facilities;
- To conduct Inter departmental and directorates meeting;

3.13 WASTE MANAGEMENT

(THIS SECTION INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

The Waste Management section of the municipality comprises the refuse removal, street sweeping unit as well as landfill and illegal dumping units

HOUSEHOLD REFUSE COLLECTION

- Mahikeng local municipality is responsible for household refuse collection in peri-urban and urban areas within its jurisdiction.
- In the peri-urban areas household collection was carried out by services provider New GX. The collection is done on behalf of the municipality (presently residents in peri-urban do not pay for the services)
- The municipal has a weekly household refuse collection schedule which is used to achieve this objective.

CHALLENGES

- Frequent breakdown of refuse removal trucks.
- Nonpayment for refuse removal in the peri urban areas

REMEDIAL MEASURES

- Acquisition of refuse removal trucks
- Improvement of turnaround time in repair of broken trucks

WASTE DISPOSAL (LANDFILL)

- The municipality has a licensed landfill site which it uses to dispose of all general waste collected around Mahikeng.
- The municipality has appointed a new service provider, New GX to operate and manage the landfill site as from November 2015 and already there is a marked improvement.
- The municipality has also acquired machinery and equipment such as the landfill compactor, jaw-crusher and bulldozer to improve operations

CHALLENGES

- The land fill needs fencing, access control and other infrastructural developments to be fully compliant with legislative requirements and permit conditions

REMEDIAL MEASURES

- Acquisition of MIG funding
- The municipality has also requested funding from DEA to address some of the infrastructure challenges

STREET CLEANING

- The municipality has deployed permanent staff around Mahikeng CBD for the purpose of litter picking and street sweeping.
- Over and above the permanent staff the municipality has EPWP contingent distributed around Mahikeng and Mmabatho residential areas for litter picking and skip patrolling.
- The municipality has also introduces a late shift team comprising of 20 EPWP workers to clean the town after hours
- New GX staff pick litter on all major entrance routes into town

CHALLENGES

- Supervision
- Littering and illegal dumping
- No enforcement of street trading by-laws

REMEDIAL MEASURES

- The municipality is yet to fill all vacant supervisory positions
- Law enforcement
- Acquisition of more skips

RECYCLING

- The municipality has a recycling forum that is responsible for recycling projects in Mahikeng but it is no longer active
- DEA has granted the municipality funding for construction of a composting facility. DEA appointed a service provider to implement this project. A draft business plan has been submitted to DEA for approval before construction can commence

CHALLENGES

- Inactive recycling forum
- Delay by DEA to approve business plan

REFUSE REMOVAL AND WASTE MANAGEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2015/16		Year 2016/17		Year 2017/18		Year 2018/19	
		Target	Actual	Target	Actual	*Current Year	Target	*Current Year	*Following Year
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(viii)	(ix)	(x)
Provide Waste management services									
Number of household and trade premises provided with refuse removal services in residential urban areas	15000 household and trade premises provided with refuse removal services in residential urban areas by 30 June 2018	15000 household and trade premises provided with refuse removal services in residential urban areas by 30 June 2017	Not achieved Only 11470 Household and 1012 trade premises provided with refuse removal services	15000 household and trade premises provided with refuse removal services in residential urban areas by 30 June 2017	15000 household and trade premises provided with refuse removal services in residential urban areas by 30 June 2018	Not Achieved 12170 household and 859 trade premises provided with refuse removal services in residential urban areas	15000 household and trade premises provided with refuse removal services in residential urban areas by 30 June 2019	Not Applicable	Not Applicable
Number of rural/peri-urban wards provided with free refuse removal services	18 rural/peri-urban wards provided with free refuse removal services by 30 June 2018	18 rural/peri-urban wards provided with free refuse removal services by 30 June 2017	Achieved 18 rural/peri-urban wards were provided with free refuse removal services	18 rural/peri-urban wards provided with free refuse removal services by 30 June 2017	18 rural/peri-urban wards provided with free refuse removal services by 30 June 2018	Achieved 18 rural/peri-urban wards provided with free refuse removal services	18 rural/peri-urban wards provided with free refuse removal services by 30 June 2019	Not Applicable	Not Applicable

REFUSE REMOVAL AND WASTE MANAGEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2015/16		Year 2016/17		Actual	Year 2017/18		Year 2018/19
		Target	Actual	*Previous Year (v)	*Current Year (vi)		*Current Year (viii)	Target	*Following Year (x)
<i>Service Indicators</i> (i) Number of illegal dumping spots cleaned	(ii) 80 illegal dumping spots cleaned by 30 June 2018	(iii) 80 illegal dumping spots cleaned by 30 June 2017	(iv) <i>Not achieved</i> 75 illegal dumping spots were cleaned	80 illegal dumping spots cleaned by 30 June 2017	80 illegal dumping spots cleaned by 30 June 2018	<i>Not achieved</i> 66 illegal dumping spots cleaned	80 illegal dumping spots cleaned by 30 June 2019	Not Applicable	Not Applicable
Number of anti-littering campaigns conducted	4 anti-littering campaigns conducted by 30 June 2018	4 anti-littering campaigns conducted by 30 June 2017	<i>Achieved</i> 4 Anti-littering campaigns were conducted	4 anti-littering campaigns conducted by 30 June 2017	4 anti-littering campaigns conducted by 30 June 2018	<i>Achieved</i> 4 anti-litter campaigns conducted	4 anti-littering campaigns conducted by 30 June 2019	Not Applicable	Not Applicable
Number of quarterly reports on Facilitation of construction facility by DEA on composting facility by DEA	4 reports on Facilitation of construction composting facility by DEA by 30 June 2018	4 reports on Facilitation of construction composting facility by DEA by 30 June 2017	<i>Achieved</i> 4 Reports on Facilitation of construction composting facility by DEA	4 reports on Facilitation of construction composting facility by DEA by 30 June 2017	4 reports on Facilitation of construction composting facility by DEA by 30 June 2018	<i>Achieved</i> 4 report on Facilitation of the construction of the composting facility	4 reports on Facilitation of construction composting facility by DEA by 30 June 2019	Not Applicable	Not Applicable

REFUSE REMOVAL AND WASTE MANAGEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2015/16		Year 2016/17		Actual	Year 2017/18		Year 2018/19
		Target	Actual	Target	Actual		Target	Actual	
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Number of reports on monitoring of the landfill site	12 Reports on landfill site monitoring by 30 June 2018	Not applicable	Not applicable	Not applicable	12 Reports on landfill site monitoring by 30 June 2018	Achieved 12 Reports on landfill site monitoring	12 Reports on landfill site monitoring by 30 June 2019	Not Applicable	Not Applicable

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

New GX service provider assists with pressing waste management issues and there has been a marked improvement in the overall cleanliness of the city. However, illegal dumping remains a major challenge. As soon as an area is cleaned the community dumps again. This is unsustainable as valuable resources are wasted. The municipality is looking at various options to address illegal dumping, including environmental awareness campaigns and law enforcement.

COMPONENT E: PUBLIC SAFETY

This component includes: Law Enforcement; Fire & Emergency Services; Security & Fleet Management; Rescue & Disaster Management and Testing & Licensing.

INTRODUCTION TO PUBLIC SAFETY

The directorate of the Public Safety render a sustainable and effective service to the public. The Department consists of four units Law Enforcement, Fire, Brigade & Disaster Management, Testing & Licensing as well as Security & Fleet Management

3.14 LAW ENFORCEMENT

INTRODUCTION TO LAW ENFORCEMENT

Despite the shortage of personnel in the Law Enforcement unit; all efforts were made to ensure road safety and orderly traffic flow. Law Enforcement activities were conducted and the 3 main priorities of the service were:

- To conduct regular roadblocks in order to promote road safety, visibility and to trace outstanding payments.
- Focus was also placed on training of scholar patrollers and educators in order to teach them on the aspects of safe road usage.
- Speed enforcements were also conducted as there was an obvious need to inculcate the spirit of voluntary compliance by motorists to set speed limits and traffic regulations in general.

Law Enforcement					
	Details	2016/17	2017/18		2018/19
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	1475	1400	1890	1800
2	Number of by-law infringements attended	0	0	23	25
3	Number of traffic officers in the field on an average day	17	29	15	20
4	Number of traffic officers on duty on an average day	21	33	21	26

LAW ENFORCEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2015/16		Year 2016/17		Year 2017/18		Year 2018/19	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	*Current Year (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
To provide professional law enforcement Management services									
Number of road blocks conducted	12 Roving & 12 Static Roadblocks conducted by 30 June 2018	12 Roving & 12 Static Roadblocks conducted by 30 June 2017	Target exceeded 42 Road blocks conducted	12 Roving & 12 Static Roadblocks conducted by 30 June 2017	12 Roving & 12 Static Roadblocks conducted by 30 June 2018	Target exceeded 44 Roadblocks conducted	12 Roving & 12 Static Roadblocks conducted by 30 June 2019	Not Applicable	Not Applicable
Number of schools where scholar patrol trainings were conducted	05 schools where scholar patrol trainings were conducted by 31 March 2018	09 schools where scholar patrol trainings were conducted by 31 March 2017	Not achieved 5 Scholar patrol trainings conducted	09 schools where scholar patrol trainings were conducted by 31 March 2017	05 schools where scholar patrol trainings were conducted by 31 March 2018	Target exceeded 11 schools where scholar patrol trainings were conducted	09 schools where scholar patrol trainings were conducted by 31 March 2019	Not Applicable	Not Applicable
Number of speed enforcement conducted	120 speed enforcement conducted by 30 June 2018	120 speed enforcement conducted by 30 June 2017	Not achieved No Speed enforcement conducted	120 speed enforcement conducted by 30 June 2017	120 speed enforcement conducted by 30 June 2018	Not achieved 75 speed enforcement conducted	Not applicable	Not Applicable	Not Applicable

% of the identified damaged road signs repaired /replaced	100 % identified damaged road signs repaired/ replaced by 30 June 2018	100 % identified damaged road signs repaired/ replaced by 30 June 2017	100 % identified damaged road signs repaired/ replaced by 30 June 2018	100 % identified damaged road signs repaired/ replaced by 30 June 2019	Not Achieved Only (185) identified damaged road signs repaired/ replaced	100 % identified damaged road signs repaired/ replaced by 30 June 2019	Not Applicable	Not Applicable
Number of inspections conducted at the Municipal Pound	48 inspections conducted at the Municipal Pound by 30 June 2018	48 inspections conducted at the Municipal Pound by 30 June 2017	48 inspections conducted at the Municipal Pound by 30 June 2018	48 inspections conducted at the Municipal Pound by 30 June 2019	Target exceeded 53 Inspections were conducted at Municipal Pound	48 inspections conducted at the Municipal Pound by 30 June 2019	Not Applicable	Not Applicable
% of identified faded road markings painted	100% identified faded road markings painted by 30 June 2018	100% identified faded road markings painted by 30 June 2017	100% identified faded road markings painted by 30 June 2018	100% identified faded road markings painted by 30 June 2019	Achieved 100% (96.74kms) identified faded road markings painted	100% identified faded road markings painted by 30 June 2019	Not Applicable	Not Applicable
Number of vehicles stopped and checked	55440 vehicles stopped and checked by 30 June 2018	Not applicable	Not applicable	55440 vehicles stopped and checked by 30 June 2018	Target exceeded 16214 Vehicles were stopped and checked	Not applicable	Not Applicable	Not Applicable

Number of drunken driving operations conducted	4 drunken driving operations conducted by 30 June 2018	Not applicable	Not applicable	Not applicable	4 drunken driving operations conducted by 30 June 2018	Not achieved 1 drunken driving operation was conducted	Not applicable	Not Applicable	Not Applicable
Number of compliance visits on existing scholar patrols	4 compliance visits on existing scholar patrols by 30 June 2018	Not applicable	Not applicable	Not applicable	4 compliance visits on existing scholar patrols by 30 June 2018	Achieved 4 compliance visits on existing scholar patrols	Not applicable	Not Applicable	Not Applicable
% Establishment of By-Law enforcement Unit	100% Establishment of By-Law enforcement Unit by 30 June 2018	100% Establishment of By-Law enforcement Unit by 30 June 2017	Achieved Establishment of By-Law enforcement Unit	100% Establishment of By-Law enforcement Unit by 30 June 2017	100% Establishment of By-Law enforcement Unit by 30 June 2018	KPI removed	Not applicable	Not Applicable	Not Applicable

COMMENT ON THE PERFORMANCE OF POLICE OVERALL:

ACHIEVEMENTS

- The municipality Speed machine was procured
- New uniform of traffic officers were procured
- 15 traffic officers were trained for Fire Arm competence
- 15 traffic officers were trained for refresher course on Road Traffic Act
- Established an in-house back office (On a Pilot Phase)
- Appointed services provider for large animal pound

CHALLENGES

- By-Laws enforcement unit not yet appointed and vacant position of traffic wardens
(Traffic wardens play an integral part in Law Enforcement, especially on parking and stopping offences in the C.B.D)
- Working tools i.e. blue lights, Decals and sirens
- Position of Data Capture has been vacant since 2013. The incumbent captures accidents reports and summonses.

3.15 FIRE & EMERGENCY SERVICES

INTRODUCTION TO FIRE SERVICES & EMERGENCY SERVICES

The Fire Service of the Municipality is currently understaffed. Other authorities during emergency situations rely on the municipality for assistance. The Fire Service was assisted by the Provincial Government to purchase some much needed vehicles.

The following were some of the set priorities for the Fire Service:

- The service increased the fire safety compliance inspections in order to ensure that most businesses and other Institutions complied with the Legislation prescripts.
- Fire hydrants were regularly inspected and more fire safety awareness programmes were conducted.
- Additional fire fighting vehicles were purchased in order to increase the service standard of the fire service.
- The Fire & emergency provide special services to the community of mahikeng, e.i. filling in or emptying individuals/institutional swimming pools, rescue of animals, etc
- Further gives provision of fire and rescue services such as, Building fires, House fires, rescue people from motor vehicle accident and vehicle fires.
- Rendering of specialised services such as, swift water rescue, high angle rescue, trench rescue, and structural collapse
- Rendering of hazardous material services such as, attending hazardous material incidents
- Rendering of humanitarian services.

Fire Service Data					
#	Details	2016/17	2017/18		2018/19
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	258	200	391	300
2	Total of other incidents attended in the year	65	40	64	60
3	Average turnout time - urban areas	8 min	8 min	8 min	8 min
4	Average turnout time - rural areas	15 min	15 min	15 min	15 min
5	Fire fighters in post at year end	14	34	14	60
6	Total fire appliances at year end	14	15	8	14
7	Average number of appliance off the road during the year	4	3	5	0

FIRE & EMERGENCY SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Provide professional Fire, Rescue and Disaster Management Services									
Number of Fire Safety inspections conducted	240 Fire Safety compliance inspections conducted by 30 June 2018	240 Fire Safety compliance inspections conducted by 30 June 2017	Not achieved 185 Fire Safety compliance inspections conducted	240 Fire Safety compliance inspections conducted by 30 June 2017	240 Fire Safety compliance inspections conducted by 30 June 2018	240 Fire Safety compliance inspections conducted by 30 June 2019	160 Fire Safety compliance inspections conducted by 30 June 2019	Not Applicable	Not Applicable
% of Dangerous goods permits issues on requests	100% of dangerous goods permits issued on request by 30 June 2018	Not applicable	Not applicable	Not applicable	100% of dangerous goods permits issued on request by 30 June 2018	Not applicable	Not applicable	Not Applicable	Not Applicable
% building plans received and recommended on request	100% of building plans and recommend on request by 30 June 2018	Not applicable	Not applicable	Not applicable	100% of building plans and recommend on request by 30 June 2018	Achieved 100% (46) Building plans were recommended on request	Not applicable	Not Applicable	Not Applicable

FIRE & EMERGENCY SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
				*Previous Year (v)	*Current Year (vi)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)	
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Number of Fire Safety Awareness programs conducted	40 Fire Safety Awareness programs conducted by 30 June 2018	40 Fire Safety Awareness programs conducted by 30 June 2017	Not achieved 38 Fire Safety Awareness programs were conducted	40 Fire Safety Awareness programs conducted by 30 June 2017	40 Fire Safety Awareness programs conducted by 30 June 2018	Target Exceeded 142 Fire Safety Awareness programs were conducted	60 Fire Safety Awareness programs conducted by 30 June 2019	Not Applicable	Not Applicable
Number of fire hydrants inspected	300 fire hydrants inspected by 30 June 2018	300 fire hydrants inspected by 30 June 2017	Target exceeded 733 Fire hydrants inspected	300 fire hydrants inspected by 30 June 2017	300 fire hydrants inspected by 30 June 2018	Target Exceeded 657 Fire hydrants were inspected	320 fire hydrants inspected by 30 June 2019	Not Applicable	Not Applicable
Establishment of interdepartmental Disaster Management committee	Establishment of interdepartmental Disaster Management committee by 30 June 2018	Not applicable	Not applicable	Not applicable	Establishment of interdepartmental Disaster Management committee by 30 June 2018	Not Achieved Interdepartmental Disaster Management Committee has not been established	Not applicable	Not Applicable	Not Applicable

FIRE & EMERGENCY SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		
		Target	Actual	*Previous Year (v)	*Current Year (vi)		*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Number of disaster management campaigns to be conducted	4 disaster management campaigns to be conducted by 30 June 2018	Not applicable	Not applicable	Not applicable	4 disaster management campaigns to be conducted by 30 June 2018	Not Achieved Disaster Management Campaign was not conducted	Not applicable	Not Applicable	Not Applicable
% of Disaster assessments conducted per month	100 % of Disaster assessments conducted per month	100 % of Disaster assessments conducted per month	Achieved 100% Disaster assessments conducted	100 % of Disaster assessments conducted per month	100 % of Disaster assessments conducted per month	Achieved 100 % (160) Disaster assessments conducted	Not applicable	Not Applicable	Not Applicable
% of rescue incidents reported and attended	100% rescue incidents reported and attended by 30 June 2018	100% rescue incidents reported and attended by 30 June 2017	Achieved 100% rescue incidents attended	100% rescue incidents reported and attended by 30 June 2017	100% rescue incidents reported and attended by 30 June 2018	Achieved 100%(55) rescue incidents reported and attended	100% rescue incidents reported and attended by 30 June 2019	Not Applicable	Not Applicable
% of reported Fire Incidents attended	100% of reported Fire Incidents attended to on call	100% of reported Fire Incidents	Achieved 100% of reported	100% of reported Fire	100% of reported Fire Incidents attended to on call	Achieved 100% (369) reported Fire	Not applicable	Not Applicable	Not Applicable

FIRE & EMERGENCY SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target		Actual		Target		Actual	
		*Previous Year (v)		*Current Year (vi)		*Current Year (viii)		*Current Year (ix)	
Service Indicators (i)	(ii)	(iii)		(iv)		(v)		(vi)	
to on request	by 30 June 2018	attended to on call by 30 June 2017		Fire incidents attended		Incidents attended to on call by 30 June 2017		Incidents attended to on call	
% of other emergency Incidents attended to on request	100% of other emergency Fire Incidents attended to on request by 30 June 2018	100% of other emergency Fire Incidents attended to on request by 30 June 2017		Achieved 100% of other emergency Fire Incidents attended		100% of other emergency Fire Incidents attended to on request by 30 June 2017		Achieved 100% (53) other emergency Fire Incidents attended to on request	
Number of mini satellite fire stations developed	1 mini satellite fire stations developed by 30 June 2018	Not applicable		Not applicable		Not applicable		Not applicable	

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

ACHIEVEMENTS

- Master plan has been submitted for to office of the municipal manager.
- 20 positions of fire fighters have been advertised, awaiting conclusion of the recruitment process
- 40 internships of fire fighters has been approved by Municipal Manager
- Training of 2 fire safety personnel on fire investigation
- 1 fire safety personnel was trained on fire safety strategies
- 54 Fire suites protective clothing where procured.

CHALLENGES

- Shortage of fire fighters
- Lack of training of fire and rescue personnel in line with their field of expertise
- Lack of routine maintenance of Municipal buildings
- Tools of trade i.e. Cameras to be used at emergency incidents and assessment
- Telephones and fax machine are out of commission
- Control room to be renovated and upgraded
- Lack of specialized fire fighters vehicles

3.16 DISASTER MANAGEMENT, SECURITY AND FLEET MANAGEMENT

INTRODUCTION TO DISASTER MANAGEMENT, SECURITY AND FLEET MANAGEMENT

The Disaster Management Service is provided as one of the functions under the Fire Brigade and Disaster Management unit. The Disaster Management section is currently functioning with only two staff member who is responsible to service all 35 wards of the Municipality.

The Security section ensures access control security; safe work environment and implementation of MISS(Minimum Information Security Standard) documents with regards to internal security policy

The Fleet Section ensure that all drivers comply with fleet management policy with regards to rendering basic services to the community.

DISASTER MANAGEMENT, SECURITY AND FLEET MANAGEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	*Current Year (viii)	*Current Year (ix)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(ix)	(ix)	(x)
To provide Security and Fleet Management Services									
Establishment of interdepartmental Disaster Management committee	Establishment of interdepartmental Disaster Management committee by 30 June 2018	Not applicable	Not applicable	Not applicable	Establishment of interdepartmental Disaster Management committee by 30 June 2018	Not Achieved Interdepartmental Disaster Management Committee has not been established	Not applicable	Not Applicable	Not Applicable
Number of disaster management campaigns to be conducted	4 disaster management campaigns to be conducted by 30 June 2018	Not applicable	Not applicable	Not applicable	4 disaster management campaigns to be conducted by 30 June 2018	Not Achieved Disaster Management Campaign was not conducted	Not applicable	Not Applicable	Not Applicable
% of Disaster assessments conducted per month	100 % of Disaster assessments conducted per month	100 % of Disaster assessments conducted per month	Achieved 100% Disaster assessments conducted	100 % of Disaster assessments conducted per month	100 % of Disaster assessments conducted per month	Achieved 100 % (160) Disaster assessments conducted	Not applicable	Not Applicable	Not Applicable

DISASTER MANAGEMENT, SECURITY AND FLEET MANAGEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)				*Previous Year (v)	*Current Year (vi)			*Current Year (viii)	*Following Year (x)
Number of Physical Security risks and threats assessment conducted	(ii) 1 Physical Security risks and threats assessment conducted by 30 June 2018	(iii) 1 Physical Security risks and threats assessment conducted by 30 June 2017	(iv) Achieved Physical security risk and threats audit conducted	1 Physical Security risks and threats assessment conducted by 30 June 2017	1 Physical Security risks and threats assessment conducted by 30 June 2018	(vii) Not achieved SAPS was requested to conduct physical security risk assessment	1 Physical Security risks and threats assessment conducted by 30 June 2019	Not Applicable	Not Applicable
Number of Information Security risks and threats assessment conducted	1 Information Security risks and threats assessment conducted by 30 June 2018	1 Information Security risks and threats assessment conducted by 30 June 2017	Achieved Information security risk and threats audit conducted	1 Information Security risks and threats assessment conducted by 30 June 2017	1 Information Security risks and threats assessment conducted by 30 June 2018	Achieved State Security Agency conducted information security risk and threats assessment on 13 April 2018 in the offices of Executive Mayor and Municipal Manager	1 Information Security risks and threats assessment conducted by 30 June 2019	Not Applicable	Not Applicable

DISASTER MANAGEMENT, SECURITY AND FLEET MANAGEMENT
Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
% Installation of Perimeter Fence at Traffic yard and Fire Station	100% Installation of Perimeter Fence at Traffic yard and Fire Station by 30 June 2018	100% Installation of Perimeter Fence at Traffic yard and Fire Station by 30 June 2017	Not achieved No installation of Perimeter Fence at Traffic yard and Fire Station	100% Installation of Perimeter Fence at Traffic yard and Fire Station by 30 June 2017	100% Installation of Perimeter Fence at Traffic yard and Fire Station by 30 June 2017	100% Installation of Perimeter Fence at Traffic yard and Fire Station by 30 June 2017	100% Installation of Perimeter Fence at Traffic yard and Fire Station by 30 June 2018	KPI removed	Not applicable
% Installation of Access Control at Traffic yard and Fire Station	100% Installation of Access Control at Traffic yard and Fire Station by 30 June 2018	100% Installation of Access Control at Traffic yard and Fire Station by 30 June 2017	Not achieved No installation of Access Control at Traffic yard and Fire Station	100% Installation of Access Control at Traffic yard and Fire Station by 30 June 2017	100% Installation of Access Control at Traffic yard and Fire Station by 30 June 2017	100% Installation of Access Control at Traffic yard and Fire Station by 30 June 2017	100% Installation of Access Control at Traffic yard and Fire Station by 30 June 2018	KPI removed	Not applicable
% Installation of Perimeter Fence at Municipal	100% Installation of Perimeter Fence at Municipal	100% Installation of Perimeter Fence at Municipal	Not achieved No	100% Installation of Perimeter Fence at Municipal	100% Installation of Perimeter Fence at Municipal	100% Installation of Perimeter Fence at Municipal	100% Installation of Perimeter Fence at Municipal	KPI removed	Not applicable

DISASTER MANAGEMENT, SECURITY AND FLEET MANAGEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
at Municipal yard	yard by 30 June 2018	Fence at Municipal yard by 30 June 2017	Installation of Perimeter Fence at Municipal yard	Perimeter Fence at Municipal yard by 30 June 2017	Municipal yard by 30 June 2018				
% Installation of Access Control at Municipal yard	100% Installation of Access Control at Municipal yard by 30 June 2018	100% Installation of Access Control at Municipal yard by 30 June 2017	Not achieved No installation of Access Control at Municipal yard	100% Installation of Access Control at Municipal yard by 30 June 2017	100% Installation of Access Control at Municipal yard by 30 June 2018	KPI removed	Not applicable	Not Applicable	Not Applicable
% of Installation of security x-ray machine and walk through metal detector	100% of Installation of security x-ray machine and walk through metal detector by 30 June 2018	Not applicable	Not applicable	Not applicable	100% of Installation of security x-ray machine and walk through metal detector by 30 June 2018	Not Achieved No installation of security x-ray machine and walk through metal detector	Not applicable	Not Applicable	Not Applicable

DISASTER MANAGEMENT, SECURITY AND FLEET MANAGEMENT
Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Number of security briefing awareness campaign conducted	4 security briefing awareness campaign conducted by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable	4 security briefing awareness campaign conducted by 30 June 2018	Not Achieved 2 security briefing awareness campaign conducted	4 security briefing awareness campaign conducted by 30 June 2019	Not Applicable
Number of reports on monitoring of Municipal fleet conducted	12 reports on monitoring of Municipal fleet conducted by 30 June 2018	Not applicable	Not applicable	Not applicable	Not applicable	12 reports on monitoring of Municipal fleet conducted by 30 June 2018	Achieved 12 Reports on monitoring of Municipal Fleet	12 reports on monitoring of Municipal fleet conducted by 30 June 2019	Not Applicable
Fleet management policy reviewed	Fleet management policy reviewed by 31 December 2017	Not applicable	Not applicable	Not applicable	Not applicable	Fleet management policy reviewed by 31 December 2017	Achieved Fleet management policy reviewed by council	Not applicable	Not Applicable

DISASTER MANAGEMENT, SECURITY AND FLEET MANAGEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators									
(i)									
Number of drivers training programme per directorates implemented	(ii) 4 drivers retraining programme per directorates implemented by 30 June 2018	(iii) Not applicable	(iv) Not applicable	(v) Not applicable	(vi) 4 drivers retraining programme per directorates implemented by 30 June 2018	(vii) Not Achieved Drivers retraining programme was not implemented	(viii) Not applicable	(ix) Not Applicable	(x) Not Applicable
Number of municipal control room renovated	1 municipal control room renovated by 30 June 2018	Not applicable	Not applicable	Not applicable	1 municipal control room renovated by 30 June 2018	KPI removed	Not applicable	Not Applicable	Not Applicable

**COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, SECURITY AND FLEET
MANAGEMENT OVERALL:**

Disaster Management: Achievements

- Risk Assessment Report of quarries were conducted and submitted to Infrastructure for implementation
- Assessment reports were conducted (fire, floods, stormwater etc.) and submitted to Planning and Development
- 160 Disaster assessments were conducted

Disaster Management: Challenges

- Shortage of resources i.e. blankets, mattresses
- Tools of trade Cameras
- Shortage of personnel
- Non commitment of other directorates in terms of disaster management issues

Security Section: Achievements

- Threats and Risks Assessment report submitted by State Security Agency
- Vetting workshop held for senior officials
- Draft Review of Internal Security Policy was done
- Monthly meetings held with Physical Security Service Provider

Challenges

- Increased cases of Security breaches with financial implications reported
- Security Committee to be reestablished
- Delay by senior officials for submission of Z204 forms
- Delay in appointing Head Security & Fleet Management
- Non implementation of security infrastructure (perimeter fence, security lights, CCTV and electricity)
- Delay in approval of Security Policy

Fleet Management: Achievement

- Appointment of Fleet manager
- Grouped both yellow and white fleet to renew licenses at once
- Meetings are held with the Service Provider
- Maintained better control of fleet at Traffic Premises and Municipal yard
- Compiled monthly reports
- Regular inspection of Fleet were done and feedback given
- Branding of yellow and white fleet

- Draft Fleet Management policy to be finalized

Fleet Management: Challenges

- Delay in payments of vehicle license
- Log books not completed properly and not submitted in time
- Shortage of staff
- No central parking of Fleet for purpose of control

3.17 VEHICLE TESTING & LICENSING

INTRODUCTION TO VEHICLE TESTING & LICENSING

Despite shortage of personnel in the Testing and Licensing unit, all efforts were made to provide effective and efficient testing and licensing services in accordance with legislation. The following activities were conducted:

- Eye testing for PrDP's and Driving Licenses Renewals as well as for Learners and Driving Licenses applicants
- Testing Applicants for Learners and Driving Licenses
- Testing of motor vehicles for road worthiness and for certificate of fitness
- Authorisation and issuing of PrDP's
- Issuing Driving Licence Cards.

VEHICLE TESTING & LICENSING Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19	Year 2019/20
		Target	Actual	Target	Actual	*Current Year (viii)	Target
		(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (ix)
To provide Testing and licensing services in accordance with legislation							
Service Indicators (i)	(ii)	4800 learners license applicants tested per month	4800 learners license applicants tested per month	4800 learners license applicants tested per month	4800 learners license applicants tested per month	3000 learners license applicants tested per month	Not Applicable
		4800 learners license applicants tested per month	4800 learners license applicants tested per month	4800 learners license applicants tested per month	4800 learners license applicants tested per month	3000 learners license applicants tested per month	Not Applicable
		4800 learners license applicants tested per month	4800 learners license applicants tested per month	4800 learners license applicants tested per month	4800 learners license applicants tested per month	3000 learners license applicants tested per month	Not Applicable
Number of learners license applicants tested	4800 learners license applicants tested per month	4800 learners license applicants tested per month	4800 learners license applicants tested per month	4800 learners license applicants tested per month	4800 learners license applicants tested per month	3000 learners license applicants tested per month	Not Applicable
Number of driver's license applicants tested per month	2400 of driver's license applicants tested per month	2400 of driver's license applicants tested per month	2400 of driver's license applicants tested per month	2400 of driver's license applicants tested per month	2400 of driver's license applicants tested per month	800 of driver's license applicants tested per month	Not Applicable
Number of Permits requested (PrDP) issued per month	1920 of Permits requested (PrDP) issued per month	1920 of Permits requested (PrDP) issued per month	1920 of Permits requested (PrDP) issued per month	1920 of Permits requested (PrDP) issued per month	1920 of Permits requested (PrDP) issued per month	1320 of Permits requested (PrDP) issued per month	Not Applicable

Number of Driving Licence renewed per month	4800 of Driving Licence renewed per month	4800 of Driving Licence renewed per month	Achieved Driving licence were renewed	4800 of Driving Licence renewed per month	4800 of Driving Licence renewed per month	Target exceeded 5619 Driving licences were renewed	Not applicable	Not Applicable	Not Applicable
Number of vehicles tested per month	2160 of vehicles tested per month	2160 of vehicles tested per month	Not achieved Vehicles were tested per month	2160 of vehicles tested per month	2160 of vehicles tested per month	Target exceeded 2346 Vehicles were tested for roadworthiness	1240 of vehicles tested per month	Not Applicable	Not Applicable

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

ACHIEVEMENTS:

- 100% of Driver's License Applicants tested
- 100% of Permits (PrDP) issued per month
- 100% of vehicles tested per month

CHALLENGES:

- Shortage of staff
- No electronic security systems
- Tools of trade i.e. Computers and Printers
- Lack of skills and training
- Poor toilet facilities
- No motor cycle track.
- leaking roof
- Law enforcement Board room furniture

COMPONENT F: CORPORATE OFFICES AND OTHER SERVICES

This component includes: Executive office, political office, financial services, human resource services, ICT services, property services.

3.18 EXECUTIVE AND COUNCIL

This component includes: Office of the Mayor; office of the speaker; Councilors; and Municipal Manager.

INTRODUCTION TO EXECUTIVE AND COUNCIL

During the financial year under review the Council consisted of 69 councillors; made up of 35 ward councillors and 34 proportional councillors. Political decisions were taken in a form of council resolution.

EXECUTIVE AND COUNCIL Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target		Actual	Target		
		(i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	Actual (vii)	*Current Year (viii)
To manage and coordinate municipal strategic planning									
Number of Community and stakeholder consultation meetings on the draft IDP and Budget coordinated per ward	35 wards Community and stakeholder consultation meetings on the draft IDP and budget coordinated by 30 April 2018	35 wards Community and stakeholder consultation meetings on the draft IDP and budget coordinated by 30 April 2017	Achieved 35 wards Community and stakeholder consultation meetings on the draft IDP coordinate per ward	35 wards Community and stakeholder consultation meetings on the draft IDP and budget coordinated by 30 April 2017	35 wards Community and stakeholder consultation meetings on the draft IDP and budget coordinated by 30 April 2018	Achieved 2 wards community consultation meetings held on IDP	35 wards Community and stakeholder consultation meetings on the draft IDP and budget coordinated by 30 April 2018	Not Applicable	Not Applicable

EXECUTIVE AND COUNCIL Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18			Actual	Year 2018/19	Year 2019/20
		Target	Actual	*Previous Year	*Current Year	*Current Year		*Current Year	*Following Year
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Number of wards committee meetings facilitated	35 wards committee meetings facilitated by 30 June 2018	Not applicable	Not applicable	Not applicable	35 wards committee meetings facilitated by 30 June 2018	Target exceeded 61 wards committee meetings facilitated	Not applicable	Not Applicable	Not Applicable

EXECUTIVE AND COUNCIL Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target		Target		Target		Target	
		Actual		Actual		Actual		Actual	
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Number of IDP/Budget Steering Committee meetings coordinated	3 IDP/Budget Steering Committee meetings coordinated by 30 May 2018	3 IDP/Budget Steering Committee meetings coordinated by 30 May 2017	Not Achieved 1 IDP/Budget Steering Committee meetings were held	3 IDP/Budget Steering Committee meetings coordinated by 30 May 2017	3 IDP/Budget Steering Committee meetings coordinated by 30 May 2018	1 IDP/Budget Steering Committee meetings coordinate	2 IDP/Budget Steering Committee meetings coordinated by 30 May 2019	Not Applicable	Not Applicable

EXECUTIVE AND COUNCIL Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Number of IDP Rep Forum meeting held	3 IDP Rep Forum meetings coordinate by 30 June 2018	3 IDP Rep Forum meetings coordinate by 30 June 2017	Not Achieved 1 IDP Rep Forum meeting held	3 IDP Rep Forum meetings coordinate by 30 June 2017	3 IDP Rep Forum meetings coordinate by 30 June 2018	Not achieved 2 IDP Rep Forum meetings coordinate	2 IDP Rep Forum meetings coordinate by 30 June 2019	Not Applicable	Not Applicable
Number of Ward level IDP review consultation meeting held	35 Ward level IDP review consultation meeting held by 28 February 2018	35 Ward level IDP review consultation meeting held by 28 February 2017	Achieved 35 Ward level IDP review consultation meeting held	35 Ward level IDP review consultation meeting held by 28 February 2017	35 Ward level IDP review consultation meeting held by 28 February 2018	KPI removed	Not applicable	Not Applicable	Not Applicable

EXECUTIVE AND COUNCIL Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target		Target		Target		Target	
		Actual		Actual		Actual		Actual	
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Number of reports on the functionality of ward committees	12 Reports on the functionality of ward committees by 30 June 2018	12 Reports on the functionality of ward committees by 30 June 2017	Not Achieved 2 Reports compiled on the functionality of ward committees	12 Reports on the functionality of ward committees by 30 June 2017	12 Reports on the functionality of ward committees by 30 June 2018	Achieved 12 Reports on the functionality of ward committees	12 Reports on the functionality of ward committees by 30 June 2019	Not Applicable	Not Applicable
Number Councillors training programmes facilitated	2 Councillors training programmes facilitated by 30 June 2018	2 Councillors training programmes facilitated by 30 June 2017	Target Exceeded Councillors training programs facilitated	2 Councillors training programmes facilitated by 30 June 2017	2 Councillors training programmes facilitated by 30 June 2018	Not achieved No Councillors training programmes facilitated	Not applicable	Not Applicable	Not Applicable
Number of training programmes facilitated for the wards committee members	2 training programmes facilitated for the wards committee members by 30 June 2018	2 training programmes facilitated for the wards committee members by 30 June 2017	Target exceeded Wards committee members were trained	2 training programmes facilitated for the wards committee members by 30 June 2017	2 training programmes facilitated for the wards committee members by 30 June 2018	Achieved 2 training programme facilitated for wards committee members	Not applicable	Not Applicable	Not Applicable

EXECUTIVE AND COUNCIL Policy Objectives Taken From IDP											
Service Objectives	Outline Service Targets	Year 2016/17		Actual	Year 2017/18		Actual	Year 2018/19		Year 2019/20	
		Target	Actual		Target			*Current Year (viii)	*Current Year (ix)	*Following Year (x)	
					*Previous Year (v)	*Current Year (vi)					
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)		
Number of council meetings held	4 council meetings held by 30 June 2018	Not applicable	Not applicable	Not applicable	4 council meetings held by 30 June 2018	Achieved 4 ordinary council meetings held	4 council meetings held by 30 June 2019	Not Applicable	Not Applicable	Not Applicable	
Number of Imbizos held by Executive Mayor	2 Imbizos held by Executive Mayor by 30 June 2018	2 Imbizos held by Executive Mayor by 30 June 2017	Achieved 2 Imbizo was held	2 Imbizos held by Executive Mayor by 30 June 2017	2 Imbizos held by Executive Mayor by 30 June 2018	Achieved 2 Imbizos held by Executive Mayor	2 Imbizos held by Executive Mayor by 30 June 2019	Not Applicable	Not Applicable	Not Applicable	
Number of Setsokotsane 10 by 10 programmes conducted	4 Setsokotsane 10 by 10 programmes conducted by 30 June 2018	Not applicable	Not applicable	Not applicable	4 Setsokotsane 10 by 10 programmes conducted by 30 June 2018	Not achieved 3 Setsokotsane 10 by 10 programmes conducted	Not applicable	Not Applicable	Not Applicable	Not Applicable	

EXECUTIVE AND COUNCIL Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target		Target		Target		Target	
				*Previous Year (v)	*Current Year (vi)		*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Number Quarterly report submitted to council within 30 days after the end of each quarter	4 Quarterly report submitted to council within 30 days after the end of each quarter	Not applicable	Not applicable	Not applicable	4 Quarterly report submitted to council within 30 days after the end of each quarter	Not achieved 4 Quarterly report submitted to council but not within 30 day after the end of each quarter	4 Quarterly report submitted to council within 30 days after the end of each quarter	Not Applicable	Not Applicable
Timeous submission of Section 72 (Mid-term)Report to Council	Timeous submission of Section 72 (Mid-term)Report to Council by 31 January 2018	Timeous submission of Section 72 (Mid-term) Report to Council by 31 January 2017	Achieved The Section 72 (Mid-term) Report was timeously submitted to Council	Timeous submission of Section 72 (Mid-term)Report to Council by 31 January 2017	Timeous submission of Section 72 (Mid-term)Report to Council by 31 January 2018	Achieved Section 72 (Mid- term) report submitted to council	Timeous submission of Section 72 (Mid-term)Report to Council by 31 January 2019	Not Applicable	Not Applicable

EXECUTIVE AND COUNCIL Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
<i>Service Indicators</i> (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(viii)	*Current Year (ix)	*Following Year (x)
Timeous tabling of 2016/17 Draft Annual Report to council	Timeous tabling of 2016/17 Draft Annual Report to council by 31 January 2018	Timeous tabling of 2016/17 Draft Annual Report to council by 31 January 2017	<i>Achieved</i> Draft Annual Report tabled on time	Timeous tabling of 2016/17 Draft Annual Report to council by 31 January 2017	Timeous tabling of 2016/17 Draft Annual Report to council by 31 January 2018	<i>Achieved</i> 2016/17 Annual report tables in council	Timeous tabling of 2017/18 Draft Annual Report to council by 31 January 2019	Not Applicable	Not Applicable
Number of IDP report developed and reviewed	1 IDP report developed and reviewed by 30 June 2018	Not applicable	Not applicable	Not applicable	1 IDP report developed and reviewed by 30 June 2018	<i>Achieved</i> 1 IDP report developed and reviewed	1 IDP report developed and reviewed by 30 June 2019	Not Applicable	Not Applicable

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

Through the challenges which occurred during the year the municipality still management to address as promised to appoint audit committee and co-worked the internal audit from the ngaka modiri molema district municipality through shared services.

3.19 FINANCE SERVICES

INTRODUCTION FINANCE SERVICES

Section 71 and 72 of the MFMA compels the Accounting Officer of a municipality to assess and table the municipal budget performance on a monthly basis and during the mid-year assessment respectively. There is an urgent need to focus on the governance, decision making and financial management to deal with budgeting, tariff setting, revenue collection, customer services, operations and maintenance of infrastructure asset management. The relationship between financial management and financial viability remain a challenging factor and the focus on the next financial year will be on maintaining a balance between financial management and viability. The focus on financial viability will be on revenue enhancement including debt management

The Finance unit is broadly comprised of Revenue section, Expenditure section, Budget section Salaries section, and Data processing and Supply Chain Management section, led by the Chief Financial Officer.

The highest most priority was to provide sound financial viability and sustainability.

- The Annual Financial Statement was timeously submitted to the Office of the Auditor General of South Africa.
- 4 Section 52 (Quarterly) Reports submitted to Council

The challenge faced was that the Revenue Enhancement strategy was not developed and the unit could not measure revenue growth.

FINANCE SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	*Current Year	Target	*Current Year	Target
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
To promote accountability & transparency									
Timeous Submissions of Annual Financial Statement to Office of the Auditor General	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31 August 2017	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31 August 2017	Achieved Annual Financial Statement submitted	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31 August 2017	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31 August 2017	Achieved Submissions of Annual Financial Statement to Office of the Auditor General	Timeous Submissions of Annual Financial Statement to Office of the Auditor General by 31 August 2018	Not Applicable	Not Applicable
2018/2019 Budget tabled within legislated timelines	2018/2019 Budget tabled within 30 days before the start of the new budget year	2017/2018 Budget tabled within 30 days before the start of the new budget year	Achieved Budget Approved	2017/2018 Budget tabled within 30 days before the start of the new budget year	2018/2019 Budget tabled within 30 days before the start of the new budget year	Achieved Budget tabled in council on 28 May 2018	2019/2020 Budget tabled within 30 days before the start of the new budget year	Not Applicable	Not Applicable
2018/2019 Budget approval by Council within legislated timelines	2018/2019 budget approved by council before the start of the	2017/2018 budget approved by council before the start of the	Achieved Budget approved	2017/2018 budget approved by council before the start of the	2018/2019 budget approved by council before the start of the	Achieved Budget approved by council on 29 May 2018	2019/2020 budget approved by council before the start of the	Not Applicable	Not Applicable

FINANCE SERVICES

FINANCE SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Service Indicators									
2017/2018 Adjustment Budget approved by Council within the legislated timeline	2017/2018 Adjustment Budget approved by Council by 28 February 2018	2016/17 Adjustment Budget approved by Council by 28 February 2017	Achieved Adjustment Budget approved	2016/17 Adjustment Budget approved by Council by 28 February 2017	2017/2018 Adjustment Budget approved by Council by 28 February 2018	2017/2018 Adjustment Budget approved by Council by 28 February 2018	2018/2019 Adjustment Budget approved by Council by 28 February 2019	2018/2019 Adjustment Budget approved by Council by 28 February 2019	2019/2020 Adjustment Budget approved by Council by 28 February 2020
Number of Section 71 Reports submitted to the Mayor and Provincial treasury within legislative timeline	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month (Income and expenditure reports)	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month (Income and expenditure reports)	Achieved 12 Section 71 Reports submitted	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month (Income and expenditure reports)	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month (Income and expenditure reports)	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month (Income and expenditure reports)	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month (Income and expenditure reports)	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month (Income and expenditure reports)	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month (Income and expenditure reports)

FINANCE SERVICES Policy Objectives Taken From IDP											
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20		
		Target		Target			Target				
Service Indicators											
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)		
Number of MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	4 MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	4 MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	Not achieved MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager	4 MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	4 MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	Achieved 4 MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	4 MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	Not Applicable	Not Applicable		
Number of quarterly reports on implementation of MTREF Financial plan	4 quarterly reports on implementation of MTREF Financial plan by 30 June 2018.	4 quarterly reports on implementation of MTREF Financial plan by 30 June 2017.	Not Achieved 2 Quarterly reports on implementation of MTREF Financial Plan	4 quarterly reports on implementation of MTREF Financial plan by 30 June 2017.	4 quarterly reports on implementation of MTREF Financial plan by 30 June 2018.	Achieved 4 quarterly reports on implementation of MTREF Financial plan by 30 June 2018	4 quarterly reports on implementation of MTREF Financial plan by 30 June 2019.	Not Applicable	Not Applicable		

FINANCE SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20
		Target	Actual	Target	Actual		*Current Year	Target	
Service Indicators									
(i)									
Number of accurate Monthly Billing cycles done	(ii) 12 accurate Monthly Billing cycles done by 19th of each month	(iii) 12 accurate Monthly Billing cycles done by 19th of each month	(iv) Achieved 12 Monthly Billing reports issued	(v) 12 accurate Monthly Billing cycles done by 19th of each month	(vi) 12 accurate Monthly Billing cycles done by 19th of each month	(vii) Achieved 12 Monthly Billing reports issued	(viii) 12 accurate Monthly Billing cycles done by 19th of each month	(ix) Not Applicable	(x) Not Applicable
Number of debtors age analysis reports submitted in time	12 Debtors Age Analysis reports submitted within 10 working days after the end of each month	12 Debtors Age Analysis reports submitted within 10 working days after the end of each month	Achieved 12 Monthly Debtors Age Analysis reports	12 Debtors Age Analysis reports submitted within 10 working days after the end of each month	12 Debtors Age Analysis reports submitted within 10 working days after the end of each month	Achieved 12 Debtors Age Analysis reports	12 Debtors Age Analysis reports submitted within 10 working days after the end of each month	Not Applicable	Not Applicable
% of revenue collection	90% of revenue collection by 30 June 2018	90% of revenue collection by 30 June 2017	Not Achieved 78% of revenue collection	90% of revenue collection by 30 June 2017	90% of revenue collection by 30 June 2018	Not achieved 60% collection rate	80% of revenue collection by 30 June 2019	Not Applicable	Not Applicable
Number of reports on Bad Debt Written-off submitted to council	2 report on Bad Debt Written-off submitted to council by 30 June 2018	2 report on Bad Debt Written-off submitted to council by 30 June 2017	Not Achieved No Bad Debt Written-off reports	2 report on Bad Debt Written-off submitted to council by 30 June 2017	2 report on Bad Debt Written-off submitted to council by 30 June 2018	Not achieved No report on Bad Debt Written-off submitted to council	Not applicable	Not Applicable	Not Applicable

FINANCE SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20
		Target	Actual	Target	Actual		*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)			
Number of indigents households receiving Free Basic Services	3293 Indigents households receiving Free Basic Services by 30 June 2018	3293 Indigents households receiving Free Basic Services by 30 June 2017	Not achieved 540 Indigents households receiving Free Basic Services	3293 Indigents households receiving Free Basic Services by 30 June 2017	3293 Indigents households receiving Free Basic Services by 30 June 2018	Not achieved 3282 indigents registered	2500 Indigents households receiving Free Basic Services by 30 June 2019	Not Applicable	Not Applicable
Turnaround time on issuance of clearance certificates on receipt of application from conveyancers	Issue clearance certificate within 3 days on receipt of application from conveyancers by 30 June 2018	Issue clearance certificate within 3 days on receipt of application from conveyancers by 30 June 2017	Achieved Issue clearance certificate within 3 days on receipt of application from conveyancers	Issue clearance certificate within 3 days on receipt of application from conveyancers by 30 June 2017	Issue clearance certificate within 3 days on receipt of application from conveyancers by 30 June 2018	Not achieved Clearance certificate not issued within 3 days on receipt of application from conveyancers	Issue clearance certificate within 3 days on receipt of application from conveyancers by 30 June 2019	Not Applicable	Not Applicable
Number of MFMA Sec 64.2(h) Revenue reconciliation report submitted to the Accounting	12 MFMA Sec 64.2(h) Revenue reconciliation report submitted to the Accounting officer by 30	12 MFMA Sec 64.2(h) Revenue reconciliation report submitted to the Accounting officer by 30	Achieved 12 MFMA Sec 64.2(h) Revenue reconciliation reports submitted to the Accounting	12 MFMA Sec 64.2(h) Revenue reconciliation report submitted to the Accounting officer by 30	12 MFMA Sec 64.2(h) Revenue reconciliation report submitted to the Accounting officer by 30	Achieved 12 MFMA Sec 64.2(h) Revenue reconciliation report submitted to the Accounting	12 MFMA Sec 64.2(h) Revenue reconciliation report submitted to the Accounting officer by 30	Not Applicable	Not Applicable

FINANCE SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20
		Target	Actual	Target	*Current Year		*Current Year	Target	
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
officer	June 2018	June 2017	officer	June 2017	June 2018	officer by 30 June 2018	June 2019		
Number of MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees	12 MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees by 30 June 2018	12 MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees by 30 June 2017	Achieved 12 MFMA Sec 65(2)(F) reports submitted to the accounting officer	12 MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees by 30 June 2017	12 MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees by 30 June 2018	Not Achieved 11 MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees by 30 June 2018	12 MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees by 30 June 2019	Not Applicable	Not Applicable

FINANCE SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19	Year 2019/20	
		Target	Actual	*Previous Year	*Current Year			Target	Target
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	*Current Year (ix)	*Following Year (x)
% of 2016/17 Audit findings remedial actions plan implemented	100% 2016/17 Audit findings remedial actions plan implemented by 30 June 2018	100% 2016/17 Audit findings remedial actions plan implemented by 30 June 2017	Achieved Audit findings remedial action plan implemented	100% 2016/17 Audit findings remedial actions plan implemented by 30 June 2017	100% 2016/17 Audit findings remedial actions plan implemented by 30 June 2018	Not Achieved 34% 2016/17 Audit findings remedial actions plan implemented by 30 June 2018	Not applicable	Not Applicable	Not Applicable
Assets register updated and completed	Assets register updated and completed by 30 June 2018	Assets register updated and completed by 30 June 2017	Achieved Complete Assets register	Assets register updated and completed by 30 June 2017	Assets register updated and completed by 30 June 2018	Not Achieved Assets register not completed	Not applicable	Not Applicable	Not Applicable
Number of Financial management trainings for directors; heads and managers	4 Financial management trainings for directors; heads and managers by 30 June 2018	4 Financial management trainings for directors; heads and managers by 30 June 2017	Not Achieved No Financial management trainings for directors; heads and managers	4 Financial management trainings for directors; heads and managers by 30 June 2017	4 Financial management trainings for directors; heads and managers by 30 June 2018	Not Achieved No Financial management trainings for directors; heads and managers	Not applicable	Not Applicable	Not Applicable

FINANCE SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20
		Target	Actual	Target	Actual		*Current Year (viii)	Target	
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (ix)	*Following Year (x)	
Submission of 2017/18 procurement plans for all departments	Submission of 2017/18 procurement plans for all departments by 30 August 2017	Submission of 2016/17 procurement plans for all departments by 30 August 2016	Achieved Departments submitted procurement plans	Submission of 2016/17 procurement plans for all departments by 30 August 2016	Submission of 2017/18 procurement plans for all departments by 30 August 2017	Not Achieved No 2017/18 procurement plans for all departments submitted	Submission of 2018/19 (8) procurement plans for all departments by 30 August 2018	Not Applicable	Not Applicable
Turnaround time on Supplier Chain management procurement of goods and services	12 months on Supplier Chain management procurement of goods and services by 30 June 2018	12 months on Supplier Chain management procurement of goods and services by 30 June 2017	Achieved 3 months on procurement of goods and services	12 months on Supplier Chain management procurement of goods and services by 30 June 2017	12 months on Supplier Chain management procurement of goods and services by 30 June 2018	Achieved 12 months on Supplier Chain management procurement of goods and services by 30 June 2018	Not applicable	Not Applicable	Not Applicable
Number of MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and Irregular	4 MFMA Sec 32 & SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure	4 MFMA Sec 32 & SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure	Not achieved No MFMA Sec 32 Reports on Deviation, Fruitless and Irregular expenditure submitted to	4 MFMA Sec 32 & SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure	4 MFMA Sec 32 & SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure	Not Achieved Draft MFMA Sec 32 & SCM regulation 32 Reports on Deviation, Fruitless and Irregular	4 MFMA Sec 32 & SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure	Not Applicable	Not Applicable

FINANCE SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18			Year 2018/19		Year 2019/20
		Target	Actual	Target	*Previous Year	*Current Year	Actual	*Current Year	
Service Indicators					(iv)	(v)	(vi)	(vii)	(viii)
	(ii)	(iii)							
expenditure submitted to council	submitted to council by 30 June 2018	submitted to council by 30 June 2017	council		submitted to council by 30 June 2017	submitted to council by 30 June 2018	submitted to council by 30 June 2018	expenditure not submitted to council	submitted to council by 30 June 2019
Number of MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury by 30 June 2018	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury by 30 June 2017	Not achieved MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury by 30 June 2017	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury by 30 June 2018	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury by 30 June 2018	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury by 30 June 2018	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury by 30 June 2019	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and National Treasury by 30 June 2019

FINANCE SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19		Year 2019/20
		Target	Actual	Target	Actual		Target	Actual	
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Number of staff members who signed declaration of interest forms	All staff members signed the declaration of interest forms by 30 June 2018	All staff members signed the declaration of interest forms by 30 June 2017	<i>Achieved</i> All staff members signed the declaration of interest forms	All staff members signed the declaration of interest forms by 30 June 2017	All staff members signed the declaration of interest forms by 30 June 2018	<i>Not Achieved</i> Not all staff members signed the declaration of interest forms	All staff members signed the declaration of interest forms by 30 June 2019	Not Applicable	Not Applicable

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

The Supply chain management is not centralized, resulting in every Directorate performing their own procurement services. Though the procurement services are done by each directorate, the municipality is still in development processes to centralise the Procurement services unit.

3.20 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resource Services is a support service within the municipality and it focuses on the following functional areas: Staff Acquisition (Recruitment, Selection, and appointment); Benefits Administration (Leave, Medical Aid, and Pension Funds); Staff Training and Skills Development; Employee Wellness; Labour/Employee Relations; as well as Occupational Health and Safety.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

2017/18 Workplace Skills Plan was 100% implemented

HUMAN RESOURCES MANAGEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Provide Human Resources Management									
Timeous submission of the HRMD Draft strategy for approval to Council	Timeous submission of the HRMD Draft Strategy to Council for approval by 31 March 2018	Timeous submission of the HRMD Draft Strategy to Council for approval by 31 March 2017	Not achieved No submission of the HRMD Draft Strategy to Council for approval	Timeous submission of the HRMD Draft Strategy to Council for approval by 31 March 2017	Timeous submission of the HRMD Draft Strategy to Council for approval by 31 March 2018	Not achieved HRMD Draft Strategy not submitted to Council for approval	Timeous submission of the HRMD Draft Strategy to Council for approval by 31 March 2019	Not Applicable	Not Applicable
Number of HR policies Developed and approved by Council	10 HR policies developed and approved by Council by 31 March 2018	10 HR policies developed and approved by Council by 31 March 2017	Not achieved No HR policies were developed and approved by Council	10 HR policies developed and approved by Council by 31 March 2017	10 HR policies developed and approved by Council by 31 March 2018	Not achieved 2 HR policies developed and approved by Council	8 HR policies developed and approved by Council by 31 March 2019	Not Applicable	Not Applicable
Timeous submission of the Organizational Structure for, review adoption and	Timeous submission of the Organizational Structure for, review adoption and	Timeous submission of the Organizational Structure for, review adoption and	Not achieved Organizational Structure not submitted to Council	Timeous submission of the Organizational Structure for, review adoption and	Timeous submission of the Organizational Structure for, review adoption and	Not achieved No submission of Organizational Structure for, review adoption and	Timeous submission of the Organizational Structure for, review adoption and	Not Applicable	Not Applicable

HUMAN RESOURCES MANAGEMENT Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18			Actual	Year 2018/19		Year 2019/20
		Target	Actual	Target		*Current Year (viii)		*Current Year (ix)		
				*Previous Year (v)	*Current Year (vi)				*Following Year (x)	
Service Indicators (i) implementation by Council	(ii) implementation by Council by 31 March 2018	(iii) implementation by Council by 31 March 2017	(iv) 	implementation by Council by 31 March 2017	implementation by Council by 31 March 2018	(vii) implementation by Council	implementation by Council by 30 April 2019			
% completion of Job evaluation of filled positions	100% completion of Job evaluation of filled positions by 31 March 2018	100% completion of Job evaluation of filled positions by 31 March 2017	Not achieved No filled positions evaluated	100% completion of Job evaluation of filled positions by 31 March 2017	100% completion of Job evaluation of filled positions by 31 March 2018	Not achieved No completion of Job evaluation of filled positions	100% completion of Job evaluation of filled positions by 30 September 2018	Not Applicable	Not Applicable	
Timeous submission of the reviewed Employment Equity Plan	Timeous submission of the reviewed Employment Equity by 31 December 2017	Timeous submission of the reviewed Employment Equity by 31 December 2016	Achieved Reviewed Employment Equity submitted	Timeous submission of the reviewed Employment Equity by 31 December 2016	Timeous submission of the reviewed Employment Equity by 31 December 2017	Achieved Employment Equity submitted	Timeous submission of the reviewed Employment Equity by 31 January 2019	Not Applicable	Not Applicable	

HUMAN RESOURCES MANAGEMENT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators									
(i) Established and Functional Employment Equity Forum	(ii) Established and Functional Employment Equity Forum by 30 September 2017	(iii) Established and Functional Employment Equity Forum by 30 September 2016	(iv) Not achieved No established and Functional Employment Equity Forum	(v) Established and Functional Employment Equity Forum by 30 September 2016	(vi) Established and Functional Employment Equity Forum by 30 September 2017	(vii) Not achieved No established and Functional Employment Equity Forum	(viii) Not Applicable	(ix) Not Applicable	(x) Not Applicable
% Implementation of Workplace Skills Plan	100% Implementation of Workplace Skills Plan by 30 April 2018	100% Implementation of Workplace Skills Plan by 30 April 2017	Achieved 100% Implementation of Workplace Skills Plan	100% Implementation of Workplace Skills Plan by 30 April 2017	100% Implementation of Workplace Skills Plan by 30 April 2018	Achieved 100% Implementation of Workplace Skills Plan	100% Implementation of Workplace Skills Plan by 30 June 2019	Not Applicable	Not Applicable
2018/19 Workplace Skills Plan Developed and Submitted to LGSETA	2018/19 Workplace Skills Plan Developed and Submitted to LGSETA by 30 April 2018	2018/19 Workplace Skills Plan Developed and Submitted to LGSETA by 30 April 2017	Achieved Workplace Skills Plan Developed and Submitted to LGSETA	2018/19 Workplace Skills Plan Developed and Submitted to LGSETA by 30 April 2017	2018/19 Workplace Skills Plan Developed and Submitted to LGSETA by 30 April 2018	Achieved 2018/19 Workplace Skills Plan Developed and Submitted to LGSETA	2019/19 Workplace Skills Plan Developed and Submitted to LGSETA by 30 April 2019	Not Applicable	Not Applicable

HUMAN RESOURCES MANAGEMENT Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Actual	Year 2018/19	Target		
		Target	Actual	*Previous Year (v)	*Current Year (vi)			*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Indicators (i) Number of reports on vacant and critical positions filled within 3 months of the posts being vacant	(ii) 4 reports on vacant and critical positions filled within 3 months of the posts being vacant by 30 June 2018	(iii) 4 reports on vacant and critical positions filled within 3 months of the posts being vacant by 30 June 2018	(iv) Not Achieved Position were filled	(v) 4 reports on vacant and critical positions filled within 3 months of the posts being vacant by 30 June 2018	(vi) 4 reports on vacant and critical positions filled within 3 months of the posts being vacant	(vii) Achieved 4 reports on vacant and critical positions filled	Not Applicable (viii)	Not Applicable (ix)	Not Applicable (x)	
Number of reports on labour cases received	3 reports on labour cases to be resolved by 30 June 2018	3 reports on labour cases to be resolved by 30 June 2017	Achieved Labour case received and resolved	3 reports on labour cases to be resolved by 30 June 2017	3 reports on labour cases to be resolved by 30 June 2018	Achieved 3 reports on labour cases to be resolved	4 reports on labour cases to be resolved by 30 June 2019	Not Applicable (ix)	Not Applicable (x)	
% Developed Employee Health & Wellness plan	100% Developed Employee Health & Wellness plan by 31 March 2018	100% Developed Employee Health & Wellness plan by 31 March 2017	Not achieved Employee & wellness plan not in placed	100% Developed Employee Health & Wellness plan by 31 March 2017	100% Developed Employee Health & Wellness plan by 31 March 2018	Achieved 100% Developed Employee Health & Wellness plan	100% Developed Employee Health & Wellness plan by 31 March 2019	Not Applicable (ix)	Not Applicable (x)	

HUMAN RESOURCES MANAGEMENT Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18			Actual	Year 2018/19		Year 2019/20
		Target		Target				Target		
					*Previous Year (v)	*Current Year (vi)			*Current Year (viii)	*Current Year (ix)
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	
Number of Local Labour Forum meetings held	5 Local Labour Forums meetings held by 30 June 2018	5 Local Labour Forums meetings held by 30 June 2017	Not achieved No Local Labour Forums meetings held	5 Local Labour Forums meetings held by 30 June 2017	5 Local Labour Forums meetings held by 30 June 2018	Not achieved 1 local Labour Forums meetings held	4 Local Labour Forums meetings held by 30 June 2019	Not Applicable	Not Applicable	
Number of reports on the compliance of occupational health and safety	3 reports on the compliance of occupational health and safety by 30 June 2018	3 reports on the compliance of occupational health and safety by 30 June 2017	Not Achieved No report was compiled on occupational health and safety	3 reports on the compliance of occupational health and safety by 30 June 2017	3 reports on the compliance of occupational health and safety by 30 June 2018	Achieved 3 reports on the compliance of occupational health and safety	4 reports on the compliance of occupational health and safety by 30 June 2019	Not Applicable	Not Applicable	
Number of Safety Committee meeting to be held	4 Safety Committee meeting to be held by 30 June 2018	Not applicable	Not applicable	Not applicable	4 Safety Committee meeting to be held by 30 June 2018	Not Achieved No safety Committee meeting to be held	4 Safety Committee meeting to be held by 30 June 2019	Not Applicable	Not Applicable	

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The Human resource unit had many challenges as a result there was minimal performance achieved for the 2017/18 financial year.

The challenges were as follows:

- Limited budget on the training schedules

3.21 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The municipality appointed new ICT manager during the financial year, the Information and Communication Technology (ICT) services section is under Corporates support services directorate.

There is also Data section which deals with Data processing and updating of data into the system. The data section is the sub-unit of finance unit.

The municipality is in use of Venus and MUNSOFT financial systems

FORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	*Current Year (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Financial Management System Managed and update of municipal website									
% of staff with access to relevant functions in the MUNSOFT financial system	100% staff eligible to the Utilization of the system granted access by 30 June 2018	100% staff eligible to the Utilization of the system granted access by 30 June 2017	Achieved 100% Utilization of the system by staff and management	100% staff eligible to the Utilization of the system granted access by 30 June 2017	100% staff eligible to the Utilization of the system granted access by 30 June 2018	100% staff eligible to the Utilization of the system granted access by 30 June 2019	100% staff eligible to the Utilization of the system granted access by 30 June 2019	Not Applicable	Not Applicable
% of section 75 MFMA reports placed on the municipal website	100% section 75 MFMA reports placed on the municipal website by 30 June 2018	100% section 75 MFMA reports placed on the municipal website by 30 June 2017	Achieved Section 75 MFMA reports placed on municipal website	100% section 75 MFMA reports placed on the municipal website by 30 June 2017	100% section 75 MFMA reports placed on the municipal website by 30 June 2018	Not Achieved Tariffs and budget placed on the website.	Not applicable	Not Applicable	Not Applicable

% Implementation of the Mscoa	100% Implementation of the Mscoa by 30 June 2018	100% Implementation of the Mscoa by 30 June 2017	Achieved Mscoa implemented	100% Implementation of the Mscoa by 30 June 2017	100% Implementation of the Mscoa by 30 June 2018	Not Achieved 65% of implementation of mscoa	Not applicable	Not Applicable	Not Applicable
IT disaster recovery plan and Business Continuity Plan Development and approved by council	IT disaster recovery plan and Business Continuity Plan Development and approved by council by 30 June 2018	IT disaster recovery plan and Business Continuity Plan Development and approved by council by 30 June 2017	Not Achieved No IT disaster recovery plan and Business Continuity Plan Development and approved by council approved by council	IT disaster recovery plan and Business Continuity Plan Development and approved by council by 30 June 2017	IT disaster recovery plan and Business Continuity Plan Development and approved by council by 30 June 2018	Not Achieved No IT disaster recovery plan and Business Continuity Plan Development and approved by council	Not applicable	Not Applicable	Not Applicable
IT policy development and review by council	IT policy development and review by council by 30 June 2018	IT policy development and review by council by 30 June 2017	Not Achieved No IT policy development and review by council	IT policy development and review by council by 30 June 2017	IT policy development and review by council by 30 June 2018	Not Achieved No IT policy development and review by council	Not applicable	Not Applicable	Not Applicable
Number of reports on Increased number of departments utilizing the document management system	12 reports on Increased number of departments utilizing the document management system by 30 June 2018	12 reports on Increased number of departments utilizing the document management system by 30 June 2017	Achieved Progress report on the increased number of department utilizing document management system	12 reports on Increased number of departments utilizing the document management system by 30 June 2017	12 reports on Increased number of departments utilizing the document management system by 30 June 2018	Achieved Progress report on the increased number of department utilizing document management system	Not applicable	Not Applicable	Not Applicable

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

ICT issue reports have improved as new services support emails has been set-up.

4 Policies have been drafted and awaiting for workshop and council approval.

Hardware and software are outdated and there is a need for replacements.

ICT needs to be prioritised to prepare better as there are no proper ICT systems and procedures.

3.22 LEGAL; INTERNAL AUDIT AND RISK MANAGEMENT.

This component includes: legal, internal audit and risk management.

INTRODUCTION TO LEGAL; INTERNAL AUDIT AND RISK MANAGEMENT

The Legal services unit is integrated in office of the Municipal Manager and its function areas are drafting of by-laws; providing legal advice and opinion; and handle all litigations matters for and against council.

SERVICE STATISTICS FOR PROPERTY; LEGAL; INTERNAL AUDIT AND RISK MANAGEMENT

No By-laws published

LEGAL AND INTERNAL AUDIT Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	*Current Year (viii)	*Current Year (ix)	*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)	(iii)	(iv)	*Previous Year (v)	(vi)	(vii)	(viii)	(ix)	(x)
Effective and efficient internal audit services and legal services									
2017/2018 Risk-based operational Audit plan approved by council	2017/18 Risk-based operational Audit plan approved by council by 30 September 2018	2016/17 Risk-based operational Audit plan approved by council by 30 September 2016	Achieved Risk-based operational Audit plan approved	2016/17 Risk-based operational Audit plan approved by council by 30 September 2016	2017/18 Risk-based operational Audit plan approved by council by 30 September 2018	Achieved 2017/18 Risk-Based operational Audit Plan approved by Audit Committee	2018/19 Risk-based operational Audit plan approved by council by 30 September 2019	Not Applicable	Not Applicable
2017/18 Audit committee charter reviewed and approved by council	2017/18 Audit committee charter reviewed and approved by council by 30 September 2017	2016/17 Audit committee charter reviewed and approved by council by 30 September 2016	Achieved Audit committee charter reviewed by council	2016/17 Audit committee charter reviewed and approved by council by 30 September 2016	2017/18 Audit committee charter reviewed and approved by council by 30 September 2017	Achieved Audit Charter reviewed by Audit Committee and approved by Council	2018/19 Audit committee charter reviewed and approved by council by 30 September 2018	Not Applicable	Not Applicable

2017/18 Internal audit charter reviewed and approved by council	2017/18 Internal audit charter reviewed and approved by council by 30 September 2017	2016/17 Internal audit charter reviewed and approved by council by 30 September 2016	<i>Achieved</i> Internal audit charter reviewed by audit committee	2016/17 Internal audit charter reviewed and approved by council by 30 September 2016	2017/18 Internal audit charter reviewed and approved by council by 30 September 2017	<i>Achieved</i> Internal charter reviewed and approved by Audit committee	2018/19 Internal audit charter reviewed and approved by council by 30 September 2018	Not Applicable	Not Applicable
Number of developed fraud prevention policy	1 developed fraud prevention policy by 31 October 2017	1 developed fraud prevention policy by 31 October 2016	<i>Not</i> <i>Achieved</i> No developed fraud prevention policy	1 developed fraud prevention policy by 31 October 2016	1 developed fraud prevention policy by 31 October 2017	<i>Not achieved</i> Fraud prevention policy not developed	Not applicable	Not Applicable	Not Applicable
2017/18 reviewed strategic and operational risk register	2017/18 reviewed strategic and operational risk register by 31 December 2017	2016/17 reviewed strategic and operational risk register by 31 December 2016	<i>Achieved</i> Reviewed strategic and operational risk registers	2016/17 reviewed strategic and operational risk register by 31 December 2016	2017/18 reviewed strategic and operational risk register by 31 December 2017	<i>Achieved</i> Reviewed strategic and operational risk registers	Not applicable	Not Applicable	Not Applicable
Number of reports on Risk Management services	4 reports on Risk Management services by 30 June 2018	Not applicable	Not applicable	Not applicable	4 reports on Risk Management services by 30 June 2018	<i>Not achieved</i> 1 report on Risk Management	Not applicable	Not Applicable	Not Applicable

Number of reports on internal audit services	4 reports on internal audit services by 30 June 2018	Not applicable	Not applicable	4 reports on internal audit services by 30 June 2018	<i>Not achieved</i> 3 reports on internal audit activities	Not applicable	Not Applicable	Not Applicable
% turnaround time on legal opinions issued within a minimum of 2 days and 7 days maximum	100% turnaround time on legal opinions issued within a minimum of 2 days and 7 days maximum	100% turnaround time on legal opinions issued within a minimum of 2 days and 7 days maximum	<i>Achieved</i> 100% Turnaround time on legal opinions issued within a reasonable time	100% turnaround time on legal opinions issued within a minimum of 2 days and 7 days maximum	<i>Target exceeded</i> 12 legal opinions issued	Not applicable	Not Applicable	Not Applicable
Number of by-laws drafted	8 by-laws drafted by 30 September 2017	8 by-laws drafted by 30 September 2016	<i>Not Achieved</i> No by-laws drafted	8 by-laws drafted by 30 September 2017	<i>Not achieved</i> No by-laws draft	8 by-laws drafted by 30 September 2018	Not Applicable	Not Applicable
Number of By-laws promulgated (published)	8 By-laws promulgated (published) by 30 June 2018	8 By-laws promulgated (published) by 30 June 2017	<i>Not achieved</i> No by-laws promulgated (published)	8 By-laws promulgated (published) by 30 June 2018	<i>Not achieved</i> No Drafted Municipal By Laws Promulgated	8 By-laws promulgated (published) by 30 June 2019	Not Applicable	Not Applicable

% of contracts drafted and advice given as per request	100% of contracts drafted and advice given as per request by 30 June 2018	100% of contracts drafted and advice given as per request by 30 June 2017	100% of contracts drafted and advice given as per request	100% of contracts drafted and advice given as per request by 30 June 2017	100% of contracts drafted and advice given as per request by 30 June 2018	100% of contracts drafted and advice given as per request by 30 June 2019	Not Applicable	Not Applicable
% Updated contract management register	100% Updated contract management register by 30 June 2018	100% Updated contract management register by 30 June 2017	Achieved The contract management register is not maintained.	100% Updated contract management register by 30 June 2017	100% Updated contract management register by 30 June 2018	Target exceeded 21 Contracts Management Register Updated	Not Applicable	Not Applicable
Number of reports on legal matters submitted	4 reports on legal matters submitted by 30 June 2018	Not applicable	Not applicable	Not applicable	4 reports on legal matters submitted by 30 June 2018	Achieved 4 reports on legal matters submitted	Not Applicable	Not Applicable
2017/2018 Risk-based operational Audit plan approved by council	2017/18 Risk-based operational Audit plan approved by council by 30 September 2018	2016/17 Risk-based operational Audit plan approved by council by 30 September 2016	Achieved Risk-based operational Audit plan approved	2016/17 Risk-based operational Audit plan approved by council by 30 September 2016	2017/18 Risk-based operational Audit plan approved by council by 30 September 2018	Achieved 2017/18 Risk-Based operational Audit Plan approved by Audit Committee	2018/19 Risk-based operational Audit plan approved by council by 30 September 2019	Not Applicable

2017/18 Audit committee charter reviewed and approved by council	2017/18 Audit committee charter reviewed and approved by council by 30 September 2017	2016/17 Audit committee charter reviewed and approved by council	2016/17 Audit committee charter reviewed and approved by council by 30 September 2016	2017/18 Audit committee charter reviewed and approved by council by 30 September 2017	2016/17 Audit committee charter reviewed and approved by council by 30 September 2016	Achieved Audit committee charter reviewed by council	2016/17 Audit committee charter reviewed and approved by council by 30 September 2016	Achieved Internal audit charter reviewed and approved by council by 30 September 2017	2018/19 Audit committee charter reviewed and approved by council by 30 September 2018	Not Applicable	Not Applicable
2017/18 Internal audit charter reviewed and approved by council	2017/18 Internal audit charter reviewed and approved by council by 30 September 2017	2016/17 Internal audit charter reviewed by audit committee	2016/17 Internal audit charter reviewed and approved by council by 30 September 2016	2017/18 Internal audit charter reviewed and approved by council by 30 September 2017	2016/17 Internal audit charter reviewed and approved by council by 30 September 2016	Achieved Internal audit charter reviewed by audit committee	2016/17 Internal audit charter reviewed and approved by council by 30 September 2016	2017/18 Internal audit charter reviewed and approved by council by 30 September 2017	2018/19 Internal audit charter reviewed and approved by council by 30 September 2018	Not Applicable	Not Applicable
Number of developed fraud prevention policy	1 developed fraud prevention policy by 31 October 2017	Not Achieved No developed fraud prevention policy	1 developed fraud prevention policy by 31 October 2016	1 developed fraud prevention policy by 31 October 2017	1 developed fraud prevention policy by 31 October 2016	Not Achieved No developed fraud prevention policy	1 developed fraud prevention policy by 31 October 2016	1 developed fraud prevention policy by 31 October 2017	Not applicable	Not Applicable	Not Applicable

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:

The legal section's intention for the next financial year is to develop record keeping for all contracts worked on.

The internal audit and audit committee have worked tremendously in helping the municipality to ensure quality assurance and compliances matters on municipal internal controls throughout the financial year.

COMPONENT G: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

The Municipality did not have objectives set on environmental protection

3.23 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

The Municipality did not have objectives set on pollution control

3.24 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

The Municipality did not have objectives set on bio-diversity and landscape

COMPONENT H: HEALTH

This component includes: clinics; ambulance services; and health inspections.

INTRODUCTION TO HEALTH

The Municipality did not have objectives set to support health initiatives

3.25 CLINICS

CLINICS IN OUR MUNICIPALITY

The municipality is served by twenty-eight (28) clinics and community health centers as well as five (5) mobile clinics servicing rural wards where there are no clinics. All those clinics and community health centers in the Greater Mafikeng Sub District are listed below:

CLINICS	PROFESSIONAL NURSES	NURSING AUXILLARY
1. Modimola Clinic	1	1
2. Montshloa Stadt Community Health Center	15	11
3. Unit 9 Community Health Center	11	13
4. Ramatlabama Community Centre	8	6
5. Lekoko Community Health Centre	7	5
6. Tshunyane Clinic	3	1
7. Maureen Roberts Clinic*	3	2
8. Gelukspan Gateway Clinic	6	3
9. Weltevreden Clinic	3	1
10. Dithakong Clinic	3	1
11. Matshepe Clinic	2	1
12. Mafikeng Gateway Clinic	6	5
13. Magogwe Clinic	6	3
14. Matlhonyane Clinic	2	2

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15. Rapulana Clinic*	5	3
16. Lonely Park Clinic	5	3
17. Tsetse Clinic	2	2
18. Tlapeng Clinic	2	2
19. Miga Clinic	2	2
20. Mogosane Clinic*	2	2
21. Lokaleng Clinic	2	1
22. Mocoseng Clinic	5	2
23. Motlhabeng Clinic	4	3
24. Montshioatown Clinic	9	4
25. Setlopo Clinic*	4	2
26. Makouspan Clinic*	0	0
27. Masutlhe I Clinic	2	2
28. Masutlhe II Clinic	0	0

LIST OF MOBILE CLINICS

MOBILE CLINICS	PROFESSIONAL NURSES	NURSING AUXILLARY
1. Montshioastad Mobile	1	1
2. Modimola Mobile	1	1
3. Ramatlabama Mobile	1	1
4. Gelukspan Mobile	1	1

The Municipality did not have objectives set to support clinics.

3.26 AMBULANCE SERVICES

The Municipality did not have objectives set to support ambulance services.

3.27 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

The Municipality did not have objectives set on health inspections, food and abattoir licencing inspections.

COMPONENT I: SPORT AND RECREATION

Mahikeng Local Municipality acknowledges that sports and recreation touches virtually every aspect of nation ethos. The Mahikeng Local Municipality has a special section under Planning and development directorate that undertakes responsibilities of organising Sports, Arts, cultural development supported for interested community individuals. During the current year under the review fortunately 1 Sports was supported for the community.

The Mahikeng Local Municipality employees have also sport teams were they practice and participate in municipal sports tournaments. In the year the Mahikeng Local Municipality had the opportunity to hosts International municipal sports event which was held from 24 to 30 September 2016 and 48 municipalities from North West province, other provinces in South Africa and nearby African countries (i.e. Botswana, Lesotho, Namibia and Swaziland) were received.

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises. The Municipality is not responsible for the airport and abattoirs, municipal courts and forestry as well as municipal enterprises.

Our North West Provincial Department of Community safety and transport management is one responsible for Airport operations and Airport infrastructure, the airport Mafikeng were reactivated in April 2015 respectively and Scheduled flights to OR Tambo and Cape Town International Airports were activated through SA Express. The Mahikeng community is welcome to use the Mahikeng airport.

The North West High count and Mmabatho Magistrate court situated in Mahikeng Local Municipality jurisdiction area are the responsibility of North West regional Department of Justice and constitutional development.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
HUMAN RESOURCES MANAGEMENT													
1	Provide Human Resources Management	Timeous submission of the HRMD Draft Strategy for approval to Council	No submission of the HRMD Draft Strategy to Council for approval	Timeous submission of the HRMD Draft Strategy to Council for approval by 31 March 2018	No Adjustments	No Adjustments	Operational budget	HRMD Draft Strategy not submitted to Council for approval	Not achieved	The delay is due to reviewing the draft HRMD Strategy and the vacant position of the director for corporate services	The HRMD draft strategy to be reviewed by director of corporate services upon appointment subsequently submit the HRMD draft strategy to council	Memo	ITD1
2		Number of HR policies Developed and approved by Council	No HR policies were developed and approved by Council	10 HR policies developed and approved by Council by 31 March 2018	08 HR policies developed and approved by Council by 31 March 2018	2 HR policies are already been approved	Operational budget	2 HR policies developed and approved by Council	Not achieved	The delay was due to conducting policy workshop.	The directorate to secure a date for policies to be work stopped	List of HR Policies Council Resolution	ITD2
3		Timeous submission of the Organizational Structure for, review adoption and	Organizational Structure not submitted to Council	Timeous submission of the Organizational Structure for, review adoption and	No Adjustments	No Adjustments	Operational budget	No submission of Organizational Structure for, review adoption and implementation	Not achieved	The delay is due to job evaluations are still in process	To submit Organizational Structure for, review adoption and implementation by Council	Memo	ITD3

INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
HUMAN RESOURCES MANAGEMENT													
		Implementation by Council		Implementation by Council by 31 March 2018				by Council			on completeness of the job evaluation process		
4	Recruit and Retain skilled and diverse staff	% completion of Job evaluation of filled positions	No filled positions evaluated	100% completion of Job evaluation of filled positions by 31 March 2018	No Adjustments	No Adjustments	Operational budget	No completion of Job evaluation of filled positions	Not achieved	The delay is due to job evaluations are still in process	To submit Organizational Structure for, review adoption and implementation by Council on completeness of the job evaluation process	Memo	ITD4
5		Timeous submission of the reviewed Employment Equity Plan	Reviewed Employment Equity submitted	Timeous submission of the reviewed Employment Equity by 31 December 2017	No Adjustments	No Adjustments	Operational budget	Employment Equity submitted	Achieved	The was a delay in completion of the Employment Equity	Submitted the Employment Equity	Proof of receipt and EE plan report from labour	ITD5
6		Established and Functional Employment Equity Forum	No established and Functional Employment Equity Forum	Established and Functional Employment Equity Forum by 30 September 2017	Number(2) of reports Established and Functional Employment Equity Forum by 30 June 2018	KPI modified	Operational budget	No established and Functional Employment Equity Forum	Not Achieved	Delay was due to waiting for the LLF seating meeting to give a go ahead on the establishment of the Employment Equity Forum	To establish Employment Equity Forum when the LLF seats in meeting to give a go ahead on the establishment of the Employment Equity Forum	Memo	ITD6

INFORMATION AND DEVELOPMENT													
KPI Number	Strategic Outcome	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/ Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
HUMAN RESOURCES MANAGEMENT													
7		% Implementation of Workplace Skills Plan	82%	100% Implementation of Workplace Skills Plan by 30 April 2018	No Adjustments	No Adjustments	1 000 000	100 % Implementation of Workplace Skills Plan	Achieved	Not applicable	Not applicable	Training plan report registers	ITD7
8	Provide Human Settlement	2018/19 Workplace Skills Plan Developed and Submitted to LGSETA	Workplace Skills Plan Developed and Submitted to LGSETA	2018/19 Workplace Skills Plan Developed and Submitted to LGSETA by 30 April 2018	No Adjustments	No Adjustments	Operational budget	2018/19 Workplace Skills Plan Developed and Submitted to LGSETA	Achieved	Not applicable	Not applicable	Workplace Skills Plan and proof of submission	ITD8
9		Number of reports on vacant and critical positions filled within 3 months of the posts being vacant	Report on 2 critical positions filled and 55 positions advertised	4 reports on vacant and critical positions filled within 3 months of the posts being vacant	No Adjustments	No Adjustments	700 000	4 reports on vacant and critical positions filled	Achieved	Not applicable	Not applicable	Reports	ITD9
10	Achieve Positive Employee climate	Number of reports on labour cases received	Labour case received and resolved	3 reports on labour cases to be resolved by 30 June 2018	No Adjustments	No Adjustments	Operational budget	3 reports on labour cases to be resolved	Achieved	Not applicable	Not applicable	Judgements and Awards	ITD10
11		% Developed Employee Health & Wellness plan	Employee & wellness plan not in placed	100% Developed Employee Health & Wellness plan by 31 March 2018	No Adjustments	No Adjustments	Operational budget	100% Developed Employee Health & Wellness plan	Achieved	Not applicable	Not applicable	Employee Health & Wellness plan	ITD11
12		Number of Local Labour Forum	No Local Labour Forums meetings held	5 Local Labour Forums meetings held by 30 June	No Adjustments	No Adjustments	Not Applicable	1 local Labour Forums meetings held	Not achieved	The delay was due to non-availability of	Local Labour Forums meetings to be held when	Memo	ITD12

INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/ Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
HUMAN RESOURCES MANAGEMENT													
		meetings held		2018						members of local labour forum	members of local labour forum are available.		
13	Ensure Occupational Health & Safe Environment	Number of reports on the compliance of occupational health and safety	No reports was complied with occupational health and safety	3 reports on the compliance of occupational health and safety by 30 June 2018	No Adjustments	No Adjustments	Not Applicable	3 reports on the compliance of occupational health and safety	Achieved	Not applicable	Not applicable	Reports on the compliance with occupational health and safety	ITD13
14		Number of Safety Committee meeting to be held	No safety committee meeting held	4 Safety Committee meeting to be held by 30 June 2018	No Adjustments	No Adjustments	Not Applicable	No safety Committee meeting to be held	Not Achieved	The delay was due to election of new safety committee representative	To elect a new safety committee representative in the next quarter	Memo	ITD14

INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
ADMINISTRATIVE SUPPORT MANAGEMENT													
15	Provide Sound Administrative Support Services	% Timeous distribution and compilation of Agenda documents to Council and committees (Ordinary meeting within 7 days and Special Meeting within 48 hrs.	Timeous distribution and compilation of agenda documents to Council and committees	100% Timeous distribution and compilation of agenda documents to committees by 30 June 2018	No Adjustments	No Adjustments	Not Applicable	100% Timeous distribution and compilation of agenda documents to Council and committees	Achieved	Not Applicable	Not Applicable	Distribution List of Agendas	ITD15
16		Number of Reports on Improved Records Management System	2 Reports on Improved Records Management System	2 Reports on Improved Records Management System by 30 June 2018	No Adjustments	No Adjustments	Not Applicable	1 reports on Improved Records Management System	Not Achieved	The delay was due to arranging the date for the awareness workshop for the management	To conduct awareness to employees on importance of proper records keeping in the next financial year	Records Management System report	ITD16
17		Number of Reports compiled on Call Centre management	4 reports were compiled on Call Centre management	4 Reports on compiled on Call Centre management by 30 June 2018	No Adjustments	No Adjustments	Not Applicable	4 Report compiled on Call Centre management	Achieved	Not Applicable	Not Applicable	Reports on Call Centre Management	ITD17

KPI 18 - ADVANCE PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous year's actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for adjustments	Budget	Annual Actual Performance	Status (Achieved/Not achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
18	To manage and coordinate municipal strategic planning	Number of Community and stakeholder consultation meetings on the draft IDP and Budget coordinated per ward	35 wards Community and stakeholder consultation meetings on the draft IDP coordinate per ward	35 wards Community and stakeholder consultation meetings on the draft IDP and budget coordinated by 30 April 2018	2 wards community consultation meetings held on IDP	The municipality is legislated to make public the draft IDP and Final IDP.	Operational budget	2 wards community consultation meetings held on IDP	Achieved	Not applicable	Not applicable	Minutes of the IDP community consultations Attendance register	GPW1
19		Number of wards committee meetings facilitated	New KPI	35 wards committee meetings facilitated by 30 June 2018	No adjustments	No adjustments	567 826,59	109 wards committee meetings facilitated	Target exceeded	The variance is due to that each wards must held 3 wards committee meetings in a quarter	Wards committee to held meetings as required	Ward Community Meetings Schedules Attendance registers Minutes of the meetings	GPW2
20		Number of IDP/Budget Steering Committee meetings coordinated	IDP/Budget Steering Committee meetings were held	3 IDP/Budget Steering Committee meetings coordinated by 30 May 2018	No adjustments	No adjustments	Operational budget	1 IDP/Budget Steering Committee meetings coordinate	Achieved	Not applicable	Not applicable	Minutes of IDP/Budget Steering Committee meetings Attendance registers	GPW3
21		Number of IDP Rep Forum meeting held	1 IDP Rep Forum meeting held	3 IDP Rep Forum meetings coordinate by 30 June 2018	No adjustments	No adjustments	Operational budget	2 IDP Rep Forum meetings coordinate	Not achieved	The delay was due making enquiries to the stakeholders to make their inputs on the IDP	To expedite on the completion of enquiries made to stakeholder and that IDP Rep Forum meetings coordinate in the next financial year	Minutes of the IDP representative forum meeting Attendance register	GPW4
22		Number of Ward level IDP review consultation meeting held	35 Ward level IDP review consultation meeting held	35 Ward level IDP review consultation meeting held by 28 February 2018	KPI removed	The KPI related to the KPI 18	Operational budget	KPI removed	KPI removed	KPI removed	KPI removed	Minutes of the Ward level IDP review consultation meeting Attendance registers	GPW5
23		Number of reports on	Reports compiled on	12 Reports on the	No adjustments	No adjustments	Operational budget	12 Reports on the	Achieved	Not applicable	Not applicable	Reports on the functionality of	GPW6

KP 10 - 2017-2018 FINANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM													
KP Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for adjustments	Budget	Annual Actual Performance	Status (Achieved/Not achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
		the functionality of ward committees	the functionality of ward committees	functionality of ward committees by 30 June 2018				functionality of ward committees				ward committees	
24		Number Councillors training programmes facilitated	Councillors training programs facilitated	2 Councillors training programmes facilitated by 30 June 2018	No adjustments	No adjustments	Operational budget	No Councillors training programmes facilitated	Not achieved	The delay was due to appointment of the service provider from SITA, to train the councillors as per discretionary grant	To follow up with SITA, on the training of the councils as they had already approved discretionary grant for training	Memo	GPW7
25		Number of training programmes facilitated for the wards committee members	Wards committee members were trained	2 training programmes facilitated for the wards committee members by 30 June 2018	No adjustments	No adjustments	Operational budget	1 training programme facilitated for wards committee members	Not achieved	There was no request to train wards committee members	To do training as planned in the next financial year	Reports on training programmes Attendance registers	GPW8
26		Number of council meetings held	New KPI	4 council meetings held by 30 June 2018	No adjustments	No adjustments	Operational budget	4 ordinary council meetings held	Achieved	Not applicable	Not applicable	Minutes of the council meetings Attendance registers	GPW9
27		Number of Imbizos held by Executive Mayor	Imbizo was held	2 Imbizos held by Executive Mayor by 30 June 2018	No adjustments	No adjustments	Operational budget	2 Imbizos held by Executive Mayor	Achieved	Not applicable	Not applicable	Minutes of the meetings Attendance register	GPW10
28		Number of Setsokotsane 10 by 10 programmes conducted	New KPI	4 Setsokotsane 10 by 10 programmes conducted by 30 June 2018	No adjustments	No adjustments	1 201 566,31	7 Setsokotsane 10 by 10 programmes conducted	Target exceeded	Conducted Setsokotsane 10 by 10 program for 3 quarter monthly and at the 4th quarter the Setsokotsane 10 by 10 program was not conducted due to resignation of the provincial premier	To conduct provincial programs when requested in local government	Setsokotsane 10 by 10 Reports	GPW11

KPA: GOOD GOVERNANCE - 1.1 PARTICIPATION AND WARD COMMITTEE SYSTEM													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years' actual)	Annual Target (Year)	Annual Target (Year)	Reason for adjustments	Budget	Annual Actual Performance	Status (Achieved/Not achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
29	Effective and efficient internal audit services	2017/2018 Risk-based operational Audit plan approved by council	Risk-based operational Audit plan approved	2017/18 Risk-based operational Audit plan approved by 30 September 2018	2017/18 Risk-based operational Audit plan approved by 30 September 2018	KPI modified	Operational budget	2017/18 Risk-Based operational Audit Plan approved by Audit Committee	Achieved	Not applicable	Not applicable	Risk-based operational Audit plan	GPW12
30		2017/18 Audit committee charter reviewed and approved by council	Audit committee charter reviewed by council	2017/18 Audit committee charter reviewed and approved by 30 September 2017	No adjustments	No adjustments	Operational budget	Audit Charter reviewed by Audit Committee and approved by Council	Achieved	Not applicable	Not applicable	Audit committee charter Council Resolution	GPW13
31		2017/18 Internal audit charter reviewed and approved by council	Internal audit charter reviewed by audit committee	2017/18 Internal audit charter reviewed and approved by 30 September 2017	2017/18 Internal audit charter reviewed and approved by audit committee by 30 September 2017	KPI modified	Operational budget	Internal charter reviewed and approved by Audit committee	Achieved	Not applicable	Not applicable	Internal audit charter	GPW14
32		Number of developed fraud prevention policy	No developed fraud prevention policy	1 developed fraud prevention policy by 31 October 2017	No adjustments	No adjustments	Operational budget	Fraud prevention policy not developed	Not achieved	The delay is due to waiting for the visitation from the Department of Local Government municipal governance unit support to ensure that the municipality is in compliance with implementation of Anticorruption strategy	To develop the fraud prevention policy when the Department of Local Government municipal governance unit support ensures that the municipality is in compliance with implementation of Anticorruption strategy	Memo	GPW15
33		2017/18 reviewed strategic and operational risk registers	Reviewed strategic and operational risk registers	2017/18 reviewed strategic and operational risk registers	No adjustments	No adjustments	Operational budget	Reviewed strategic and operational risk registers	Achieved	Not applicable	Not applicable	Risk register	GPW16

KPI 34 - PUBLIC PARTICIPATION - M.A. J. D. O. TITLE SYSTEM													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Yearly)	Annual Target (Yearly Adjustments)	Reason for adjustments	Budget	Annual Actual Performance	Status (Achieved/Not achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
34		risk register		risk register by 31 December 2017	4 reports on Risk Management services by 30 June 2018	KPI modified	Operational budget	1 report on Risk Management	Not achieved	Non sitting of the Risk management committee	To make a report when risk management committee sits		GPW17
35		Number of reports on Risk Management services	New KPI	4 reports on Risk Management services by 30 June 2018	4 reports on internal audit activities by 30 June 2018	KPI modified	Operational budget	4 reports on internal audit activities	Achieved	Not applicable	Not applicable	Internal audit services reports	GPW18
36	Provide Institutional Performance Management	Number Quarterly report submitted to council within 30 days after the end of each quarter	New KPI	4 Quarterly report submitted to council within 30 days after the end of each quarter	Added new KPI	Quarterly reporting of the non financial performance of the institution is key as per requirements of Section 52d MFMA	Operational budget	4 Quarterly report submitted to council but not within 30 day after the end of each quarter	Not achieved	The quarterly report are submitted to council as per council seating, and also late submissions of departmental quarterly reports from directorates	To request special council meeting for Quarterly report items and directorates are requested to expedite in submitting their departmental quarterly reports	Quarterly performance report for Council resolution	GPW19
37		Timeous submission of Section 72 (Mid-term) Report to Council	The Section 72 (Mid-term) Report was timeously submitted to Council	Timeous submission of Section 72 (Mid-term) Report to Council by 31 January 2018	No adjustments	No adjustments	Operational budget	Section 72 (Mid-term) report submitted to council	Achieved	Not applicable	Not applicable	Section 72 Report Council resolution	GPW20
38		Timeous tabling of 2016/17 Draft Annual Report to council	Draft Annual Report tabled on time	Timeous tabling of 2016/17 Draft Annual Report to council by 31 January 2018	No adjustments	No adjustments	Operational budget	2016/17 Annual report tables in council	Achieved	Not applicable	Not applicable	Council Resolution Annual Report	GPW21
39		Number of IDP report developed and reviewed	New KPI	1 IDP report developed and reviewed by 30 June 2018	No adjustments	No adjustments	Operational budget	1 IDP report developed and reviewed	Achieved	Not applicable	Not applicable	Council Resolution IDP report	GPW22
40	Provide Sound legal Support Services	% turnaround time on legal opinions issued within	100% Turnaround time on legal opinions	100% turnaround time on legal opinions	Number(20) of legal opinions issued by 30	Recommended to use numbers instead of %	Not applicable	20 legal opinions issued	Achieved	Not applicable	Not applicable	Report on legal opinions issued	GPW23

KPA: GOOD GOVERNANCE, PUBLIC PARTICIPATION AND WARD COMMITTEE SYSTEM													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target(Year)	Annual Target(Year)	Reason for adjustments	Budget	Annual Actual Performance	Status (Achieved/Not achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
		a minimum of 2 days and 7 days maximum	issued within a reasonable time	June 2018	issued within a minimum of 2 days and 7 days maximum								
41		Number of by-laws drafted	No by-laws drafted	No adjustments	8 By-laws drafted by 30 September 2017	No adjustments	Not applicable	No by-laws draft	Not achieved	Department to provide list of Bylaws to be drafted	Department to be engaged to indicate which by-laws are to be drafted for their directorate by end of 2nd quarter	Memo	GPW24
42		Number of By-laws promulgated (published)	No by-laws promulgated (published)	No adjustments	8 By-laws promulgated (published) by 30 June 2018	No adjustments	Operational Budget	No Drafted Municipal By Laws Promulgated	Not achieved	Eight Municipal By Laws drafted were submitted to Head Administration for publication & awaiting payment of outstanding money from the CFO to the Government Gazette	Municipality to pay outstanding money prior to any promulgation to be effected by the Government Gazette, however publication to be made during period under review	Memo	GPW25
43		% of contracts drafted and advice given as per request	100% of contracts drafted and advice given as per request	Number(20)of contracts drafted by 30 June 2018	100% of contracts drafted and advice given as per request by 30 June 2018	Recommended to use numbers instead of %	Operational Budget	18 Contracts Drafted	Not achieved	We have received 18 Service Level Agreement	Legal section to draft contracts received	Reports on contracts/advises requested	GPW26
44		% Updated contract management register	The contract management register is not maintained.	Number(1) of Contract management register updated and completed by 30 June 2018	100% Updated contract management register by 30 June 2018	KPI modified	Operational Budget	1 Contracts Management Register Updated	Achieved	Not applicable	Not applicable	Contract register	GPW27
45		Number of reports on legal matters submitted	New KPI	No adjustments	4 reports on legal matters submitted by 30 June 2018	No adjustments	Operational Budget	4 reports on legal matters submitted	Achieved	Not applicable	Not applicable	Legal matters Reports	GPW28

KPA: FINANCIAL MANAGEMENT & ACCOUNTABILITY													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target	Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
46	To promote accountability & transparency	Timely Submissions of Annual Financial Statement to Office of the Auditor General	Annual Financial Statement submitted	Timely Submissions of Annual Financial Statement to Office of the Auditor General by 31 August 2017	No adjustments	No adjustments	Operational budget	Timely Submissions of Annual Financial Statement to Office of the Auditor General	Achieved	Not Applicable	Not Applicable	Letter of submission of AFS AGSA signed for acknowledgement of receipt	FV1
47		2018/2019 Budget tabled within legislated timelines	Budget Approved	2018/2019 Budget tabled within 30 days before the start of the new budget year	No adjustments	No adjustments	Operational budget	Budget tabled in council on 28 May 2018	Achieved	Not applicable	Not applicable	Council Resolution	FV2
48		2018/2019 Budget approval by Council within legislated timelines	Budget approved	2018/2019 budget approved by council before the start of the budget year	No adjustments	No adjustments	Operational budget	Budget approved by council on 29 May 2018	Achieved	Not applicable	Not applicable	Council resolution	FV3
49		2018/2019 Budget related policies and tariffs approved by Council within the legislated timeline	Budget Policies and Tariffs approved	2018/2019 Budget related policies and tariffs approved by Council within 30 days before the start of the budget year	No adjustments	No adjustments	Operational budget	Budget related policies and tariffs approved by Council on 29 May 2018	Achieved	Not applicable	Not applicable	Council resolution	FV4
50		2017/18 mid-year budget assessment report prepared and submitted to the Executive Mayor, National Treasury & Provincial Treasury	Mid-year budget assessment report prepared and submitted	2017/18 mid-year budget assessment report prepared and submitted to the Executive Mayor, National Treasury & Provincial Treasury by 25 January	No adjustments	No adjustments	Operational budget	2017/18 mid-year budget assessment report prepared and submitted to the Executive Mayor, National Treasury & Provincial Treasury	Achieved	Not applicable	Not applicable	Council resolution and email of submission to National Treasury & Provincial Treasury	FV5

KPA: FINANCIAL PERFORMANCE - FINANCIAL LIABILITY													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved /Not Achieved)	Reason for under Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
		Treasury within the legislated timeline		2018									
51		2017/2018 Adjustment Budget approved by Council within the legislated timeline	Adjustment Budget approved	2017/2018 Adjustment Budget approved by Council by 28 February 2018	No adjustments	No adjustments	Operational budget	2017/2018 Adjustment Budget approved by Council	Achieved	Not applicable	Not applicable	Council resolution	FV6
52		Number of Section 71 Reports submitted to the Mayor and Provincial treasury within legislative timeline	12 Section 71 Reports submitted	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month (Income and expenditure reports)	No adjustments	No adjustments	Operational budget	12 Section 71 Reports submitted to the Mayor and Provincial treasury within 10 working days after the end of the month	Achieved	Not applicable	Not applicable	Copies of the Reports and Proof of submission	FV7
53		Number of MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	MFMA Sec 11,4(a) Consolidated quarterly reports not submitted to Municipal Manager	4 MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	No adjustments	No adjustments	Operational budget	4 MFMA Sec 11,4(a) Consolidated quarterly reports submitted to Municipal Manager within 30 days after the end of each Quarter	Achieved	Not applicable	Not applicable	Acknowledgement of receipt by the office of the Municipal Manager	FV8
54	Revenue Enhancement	Number of quarterly reports on implementation of MTREF	Quarterly reports on implementation of MTREF Financial Plan	4 quarterly reports on implementation of MTREF Financial plan by 30 June	No adjustments	No adjustments	Operational budget	4 quarterly reports on implementation of MTREF Financial plan by 30 June	Achieved	Not applicable	Not applicable	Quarterly reports on implementation of MTREF Financial Plan	FV9

KPA: FINANCIAL MANAGEMENT AND VIABILITY													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
		Financial plan		2018.				2018					
55		Number of accurate Monthly Billing cycles done	Monthly Billing reports issued	12 accurate Monthly Billing cycles done by 19th of each month	No adjustments	No adjustments	Operational budget	12 Monthly Billing reports issued	Achieved	Not applicable	Not applicable	Reports	FV10
56		Number of debtors age analysis reports submitted in time	Monthly Debtors Age Analysis reports	12 Debtors Age Analysis reports submitted within 10 working days after the end of each month	No adjustments	No adjustments	Operational budget	12 Debtors Age Analysis reports	Achieved	Not applicable	Not applicable	Reports	FV11
57		% of revenue collection	68% of revenue collection	90% of revenue collection by 30 June 2018	No adjustments	No adjustments	Operational budget	60% collection rate	Not achieved	The variance is due to government debt owed to the municipality	To request the government department to settle the debt owed to the municipality by the next Quarter	Revenue Collection % report	FV12
58		Number of reports on Bad Debt Written-off submitted to council	No Bad Debt Written-off reports	2 report on Bad Debt Written-off submitted to council by 30 June 2018	No adjustments	No adjustments	Operational budget	No report on Bad Debt Written-off submitted to council	Not achieved	The delay was due to compilation of AFS	To complete on compilation of AFS and submit to council	Memo	FV13
59		Number of indigents households receiving Free Basic Services	No indigents households receiving Free Basic Services	3293 Indigents households receiving Free Basic Services by 30 June 2018	No adjustments	No adjustments	Operational budget	3282 indigents registered	Not Achieved	The variance is due to indigent consumers on munsoft being registered every month as a result of the indigent duration period which ends after 12 months	To provide access to free basic services to indigents households whom are still on indigent duration period which ends after 12 months	Quarterly Indigents Reports	FV14

KPA: FINANCIAL MANAGEMENT AND VIABILITY

KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
60		Turnaround time on issuance of clearance certificates on receipt of application from conveyancers	Clearance certificates issued	Issue clearance certificate within 3 days on receipt of application from conveyancers by 30 June 2018	No adjustments	No adjustments	Operational budget	Clearance certificate not issued within 3 days on receipt of application from conveyancers	Not achieved	Delay is in the procedures for signature	To expedite on signature procedures	Register of clearance certificates issued	FV15
61		Number of MFMA Sec 64.2(h) Revenue reconciliation reports submitted to the Accounting officer	12 MFMA Sec 64.2(h) Revenue reconciliation reports submitted to the Accounting officer	12 MFMA Sec 64.2(h) Revenue reconciliation report submitted to the Accounting officer by 30 June 2018	No adjustments	No adjustments	Operational budget	12 MFMA Sec 64.2(h) Revenue reconciliation report submitted to the Accounting officer by 30 June 2018	Achieved	Not applicable	Not applicable	Acknowledgement of receipt by the Office of the Municipal Manager	FV16
62	Expenditure management and controls	Number of MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees)	12 MFMA Sec 65(2)(F) reports submitted to the accounting officer	12 MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees by 30 June 2018	No adjustments	No adjustments	Operational budget	11 MFMA Sec 65(2)(F) reports that Comply with statutory commitments submitted to the Accounting officer (tax, levies, duties, pension, medical aid audit and SALGA Fees by 30 June 2018	Not Achieved	Year end procedure delayed monthly reports	System vendor advised to improve service	Section 71 report council resolution as it should form part of the report (creditors age analysis)	FV17
63		% of 2016/17 Audit findings remedial actions plan implemented	Audit findings remedial action plan implemented	100% 2016/17 Audit findings remedial actions plan implemented by 30 June 2018	No adjustments	No adjustments	Operational budget	34% 2016/17 Audit findings remedial actions plan implemented by 30 June 2018	Not achieved	The focus was on the material findings	To focus on all audit findings in the next financial year	Audit report Audit Action Plan	FV18
64		Assets register updated and completed	Complete Assets register	Assets register updated and completed by 30 June 2018	No adjustments	No adjustments	Operational budget	Assets register not completed	Not achieved	Delay on the procurement of the asset register	To procure assets register software and	Assets register	FV19

KPA PERFORMANCE MONITORING AND EVALUATION													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
65	Operation Clean Audit (OCA)	Number of Financial management trainings for directors; heads and managers	No Financial management trainings for directors; heads and managers	4 Financial management trainings for directors; heads and managers by 30 June 2018	No adjustments	No adjustments	Operational budget	No Financial management trainings for directors; heads and managers	Not achieved	No directors; heads and managers went on financial management trainings	To send directors; heads and managers to Financial management trainings in the next financial year	Memo	FV20
66	Supply Chain Management	Submission of 2017/18 procurement plans for all departments	Departments submitted procurement plans	Submission of 2017/18 procurement plans for all departments by 30 August 2017	No adjustments	No adjustments	Operational budget	No 2017/18 procurement plans for all departments submitted	Not Achieved	The delay was due to none submission of procurements plans by directorates	To send a reminder request to directorates to submit 2017/18 procurement plans in the next Quarter	Procurement plans	FV21
67		Turnaround time on Supplier Chain management procurement of goods and services	3 months on procurement of goods and services	12 months on Supplier Chain management procurement of goods and services by 30 June 2018	No adjustments	No adjustments	Operational budget	12 months on Supplier Chain management procurement of goods and services by 30 June 2018	Achieved	Not Applicable	Not Applicable	SCM monthly / quarterly reports	FV22
68		Number of MFMA Sec 32 and SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure submitted to council	No MFMA Sec 32 Reports on Deviation, Fruitless and Irregular expenditure submitted to council	4 MFMA Sec 32 & SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure submitted to council by 30 June 2018	No adjustments	No adjustments	Operational budget	Draft MFMA Sec 32 & SCM regulation 32 Reports on Deviation, Fruitless and Irregular expenditure not submitted to council	Not Achieved	The delay was due to the directorates still compiling the register of deviation, irregular or fruitless and wasteful expenditure in the next financial year	To complete on compiling the register of deviation, irregular or fruitless and wasteful expenditure in the next financial year	Register of unauthorised, irregular or fruitless and wasteful expenditure	FV23
69		Number of MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and	MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and	No adjustments	No adjustments	Operational budget	12 MSA Sec 21 Monthly reports on awarded bids advertised on municipal website and	Achieved	Not applicable	Not applicable	Proof of advert on website	FV24

KPA: FINANCIAL MANAGEMENT AND VIABILITY													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
70		on municipal website and National Treasury	National Treasury	National Treasury by 30 June 2018				National Treasury					
		Number of staff members who signed declaration of interest forms	All staff members signed the declaration of interest forms	All staff members signed the declaration of interest forms by 30 June 2018	No adjustments	No adjustments	Operational budget	Not all staff members signed the declaration of interest forms	Not Achieved	The delay was due to staff members submission to complete the declaration of interest forms	All staff members to sign the declaration of interest forms in the next quarter	Completed and signed forms	FV25
71	Financial Management System Managed and update of municipal website	% of staff with access to relevant functions in the MUNISOFT financial system	100% Utilization of the system by staff and management	100% staff eligible to the Utilization of the system granted access by 30 June 2018	No adjustments	No adjustments	Operational budget	100% staff eligible to the Utilization of the system granted access by 30 June 2018	Achieved	Not applicable	Not applicable	Approval granting access to their relevant functions report	FV26
72		% of section 75 MFMA reports placed on the municipal website	Section 75 MFMA reports placed on municipal website	100% section 75 MFMA reports placed on the municipal website by 30 June 2018	Number(10) of Section 75 MFMA reports submitted to communication publishing in the website by 30 June 2018	KPI changed % to numbers as recommended	Operational budget	Tariffs and budget placed on the website.	Not Achieved	Tariffs and budget placed on the website.	To place all section 75 MFMA reports on the municipal website in the next quarter	Municipal website snap copy print	FV27
73		% Implementation of the Mscoa	Mscoa implemented	100% Implementation of the Mscoa by 30 June 2018	No adjustments	No adjustments	Operational budget	65% of implementation of mscoa	Not Achieved	The variance was due to incorrect mapping of the mscoa version 6.1 which resulted to failing to integrate payroll and munsoft.	To correct mapping in the mscoa version 6.1 by the next quarter	mSCOA implantation progress reports	FV28
74		IT disaster recovery plan and Business continuity plan developed	No IT disaster recovery plan and Business Continuity Plan	IT disaster recovery plan and Business continuity plan approved by council by 30	No adjustments	No adjustments	Operational budget	No IT disaster recovery plan and Business continuity plan developed and approved by council	Not achieved	The delay was due to compiling the IT disaster recovery plan and Business continuity plan	To complete compiling IT disaster recovery plan and Business continuity plan in the	Memo	FV29

KPA: FINANCIAL MANAGEMENT AND VIABILITY													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
		and approved by council		June 2018							next financial year		
75		IT policy developed and reviewed by council	No IT policy	IT policy developed and reviewed by council by 30 June 2018	No adjustments	No adjustments	Operational budget	No IT policy developed and reviewed by council	Not achieved	The delay was due to compiling the IT policy	To complete compiling IT policy and sending draft policy to council for review in the next financial year	Memo	FV30
76		Number of reports on departmental access on ORBIT system	12 reports on departmental access on ORBIT system	12 reports on departmental access on ORBIT system by 30 June 2018	No adjustments	No adjustments	Operational budget	12 reports on departmental access on ORBIT system	Achieved	Not applicable	Not applicable	Monitoring reports on the functionality of document management system	FV31

KPA: LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PLANNING AND DEVELOPMENT													
77	Promote spatial planning	Number of new township established	No report on new township established	2 new township established submitted to Municipal Planning Tribunal by 30 June 2018 (DLGHS Rooigrond and HDA Rooigrond)	2 new township established submitted to Municipal Planning Tribunal by 30 June 2018 (DLGHS Rooigrond and HDA Rooigrond)	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	Township establishment application has not been submitted to the Mahikeng Municipal Planning Tribunal.	Not achieved	Council must adopt standard operating procedures before the Municipal Planning Tribunal can consider applications as per Section 3 (1) (k) of the Spatial Planning and Land Use Management Regulations Land Use Management and General Matters, 2015	An item has been prepared to go the Ordinary Council sitting of August	Township establishment Reports	LEDSR1
78		Number of reports on land acquisition	New KPI	4 reports on land acquisition by 30 June 2018	KPI removed	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	KPI removed	KPI removed	KPI removed	KPI removed	Progress reports	LEDSR2
79		Number of rezoning applications processed within 90 days from date of submission	Rezoning applications not been met within 90 days from date of submission	10 rezoning applications processed within 90 days from date of submission by 30 June 2018	KPI removed	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	KPI removed	KPI removed	KPI removed	KPI removed	Rezoning reports submitted to Council Application letter for Rezoning	LEDSR3

KPA: LOCAL ECONOMIC DEVELOPMENT AND INFRASTRUCTURE													
KPI Number	Strategic Focus Area (SFA)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/No. Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PLANNING AND DEVELOPMENT													
80		Number of building plans processed within 30 days from date of submission	Applications for building plans was not been met within 30 days from date of submission	40 building plans processed within 30 days from date of submission by 30 June 2018	No Adjustments	No Adjustments	Operational budget	132 Building Plans were processed within 30 days from date of submission	Target exceeded	The Directorate was able to exceed the target as there were many building plans submitted to the municipality to be processed	To process building plans as per submission.	Building plans registers Building plans	LEDSR4
81		Number of interim valuation of newly approved building processed within 21 days of completion of structure	Approved building not been met within 21 days of completion of structure	80 Interim valuation of newly approved building processed within 21 days of completion of structure by 30 June 2018	KPI removed	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	KPI removed	KPI removed	KPI removed	KPI removed	Interim valuation reports	LEDSR5
82		Number of interim valuation of extended/renovated approved building Within 21 days of completion of structure	Approved building not been met within 21 days of completion of structure	40 Interim valuation of extended/renovated approved building Within 21 days of completion of structure by 30 June 2018	KPI removed	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	KPI removed	KPI removed	KPI removed	KPI removed	Interim valuation reports	LEDSR6
83		Number of land development (rezoning, departure, special consent, subdivision and consolidation) applications	New KPI	20 land development applications processed within 90 days from date of submission by 30 June 2018	Added new KPI	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	26 Land Development Applications decided on by the Land Development Officer	Target exceeded	There were more than 20 applications to consider	To consider land development applications submitted and recommended	Municipal Planning Tribunal and Land Development Officer Resolutions	LEDSR7

KPA: LOCAL ECONOMIC DEVELOPMENT / PT 3: LOCAL ECONOMIC DEVELOPMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PLANNING AND DEVELOPMENT													
		processed within 16 months from date of submission				focus on							
84		Establishment of Mahikeng Municipal Planning Tribunal	New KPI	Mahikeng Municipal Planning Tribunal Established	Added new KPI	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	Notice with the adopted MPT members was published on North West Provincial Gazette on 22 May 2018	Achieved	Not applicable	Not applicable	Council Resolution and Gazette Notice	LEDSR8
85		Spatial Planning and Land Use Management By-laws Adopted and Gazetted	New KPI	Promulgated Spatial Planning and Land Use Management By-laws by 30 June 2018	Added new KPI	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	By-laws was published on North West Provincial Gazette on 22 May 2018	Achieved	Not applicable	Not applicable	Council Resolution and Gazette Notice	LEDSR9
86		Mahikeng Spatial Development Framework reviewed and Approved by Council	New KPI	Approved Mahikeng Spatial Development Framework by 30 June 2018	Added new KPI	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	R 620 000	The Draft Mahikeng SDF has not been adopted by Council. The Draft SDF is currently on public participation	Not achieved	The Directorate prioritised on the Land Use Scheme as it was more urgent	Council noted the Draft SDF on 29 May 2018 and 8 June 2018 a public participation notice appeared on Mahikeng Mail. Item to Council will be prepared after the expiry of 60	Council Resolution and Notices	LEDSR10

KPA: LOCAL ECONOMIC DEVELOPMENT AND INFRASTRUCTURE												
KPI Number	Strategic Focus Area (SFA)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PLANNING AND DEVELOPMENT												
87		Mahikeng Land Use Scheme approved by Council and Promulgated	New KPI	Approved Mahikeng Land Use Scheme by 30 June 2018	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	R 1 350 000	Council adopted the Mahikeng Land Use Scheme on the 29 May 2018. Adoption notice appeared on the North West Provincial Gazette on 12 June 2018	Achieved	Not applicable	Not applicable	Council Resolution and Notices	LEDSR11
88		Number of Reports on Building contraventions	New KPI	2 reports on building contraventions issued by 30 June 2018	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	2 reports on building contraventions issued	Achieved	Not applicable	Not applicable	Building Reports	LEDSR12
89		Number of reports on occupational certificates issued on completed buildings	New KPI	2 reports on occupational certificates issued on completed buildings by 30 June 2018	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	2 reports on occupational certificates issued on completed buildings	Achieved	Not applicable	Not applicable	Occupational Reports	LEDSR13

KPA: LOCAL DEVELOPMENT / SPATIAL RATIONAL													
KPI Number	Strategic Focus/Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PLANNING AND DEVELOPMENT													
90	Provide Human Settlement	Number of reports compiled on low cost houses facilitated	Reports were compiled on monitored low cost houses facilitated	4 reports compiled on low cost houses facilitated by 30 June 2018	No Adjustments	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	NW Dept Human Settlements	4 report on low cost houses facilitated compiled	Achieved	Not Applicable	Not Applicable	Low cost housing Reports	LEDSR14
91		Number of Beneficiary applications processed and submitted to DLGHS	New KPI	4 reports compiled on beneficiary applications processed by 30 June 2018	Added new KPI	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	1 report compiled on beneficiary applications processed	Not achieved	No report was prepared on beneficiary applications processed as no application was submitted to DLGHS	To prepare a report on beneficiary applications processed as per application submitted to DLGHS	Human Settlement beneficiary Reports	LEDSR15
92		Level 1 Housing Accreditation Application Submitted	New KPI	Level 1 Accredited by 30 June 2018	Added new KPI	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	DLGHS is only considering supporting the Municipality develop Business Plan in September 2018	Not achieved	The Municipality solely depends on DLGHS to development of Business Plan.	DLGHS has committed to supporting the Municipality in developing business plan by September 2018.	Memo	LEDSR16
93	Promote Environmental Management Compliance	Number of Environmental audits conducted	No environmental audit conducted	1 Environmental audit conducted by 30 June 2018	KPI removed	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	KPI removed	KPI removed	KPI removed	KPI removed	Environmental audit report	LEDSR17

KPA: LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/ Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference	
PLANNING AND DEVELOPMENT													
94	Promote Environmental Management Compliance	Number of reports on environmental scoping comments provided	New KPI	2 reports on scoping comments by 30 June 2018	Added new KPI	The unit planned had change due to new director appointed and the adjustments are the work which the unit will focus on	Operational budget	2 reports on scoping comments compiled	Achieved	Not Applicable	Scoping comments reports	LEDSR18	

KPA: LOCAL ECONOMIC DEVELOPMENT - 1.3 SPATIAL RATIONAL													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
LOCAL ECONOMIC DEVELOPMENT													
95	Promote Economic Growth	Number of schools supported through School Greening Programme	Schools supported through School Greening Programme	4 schools supported through School Greening Programme by 30 June 2018	No Adjustments	No Adjustments	1 081 409,67	No schools supported through School Greening Programme	Not Achieved	Awaiting for appointment of services provider to supply seedlings and tools in support of school through school greening.	To support schools through School Greening Programme on appointment of the services provider.	Memo	LEDSR19
96		Number of farming supported	New KPI	20 farming supported by 30 June 2018	No Adjustments	No Adjustments		7 farming projects supported	Not Achieved	Awaiting for appointment of services provider to supply seedlings and tools in support of Farming.	To support Farming on appointment of the services provider.	Farming projects reports	LEDSR20
97		Number of Community Projects established	No Community Projects established	4 Community Projects established by 30 June 2018	No Adjustments	No Adjustments		No community Projects established	Not Achieved	The delay was due to identification of beneficiaries to help in establishing community projects.	To support community beneficiaries in establishing community projects.	Memo	LEDSR21
98		Number of Sports, Arts, cultural development supported	No Sports, Arts, cultural development supported	1 Sports, Arts, cultural development supported by 31 December 2017	No Adjustments	No Adjustments		4 Sports, Arts, cultural development supported	Target exceeded	More request for sponsor were made	To sponsor on planned target in the next quarter	Sports, Arts, cultural report to Council	LEDSR22
99		Number of reports on flea Markets developed	New KPI	4 reports on flea Markets developed by 30 June 2018	No Adjustments	No Adjustments		No report on flea Markets developed	Not Achieved	Flea market not developed	To identify open space to put on the Flea market	Memo	LEDSR23
100		Number of SMMEs trained	No SMMEs trained	45 SMMEs trained by 30 June 2018	No Adjustments	No Adjustments		113 SMMEs trained	Target exceeded	The increase was due to demand made for training SMMEs	To train SMMEs as per demand in the next Quarter	SMMEs Report to Council Attendance register	LEDSR24
101		Number of SMMEs supported through LED	New KPI	20 SMMEs supported through LED by 30 June 2018	No Adjustments	No Adjustments		2 SMMEs supported through LED	Not Achieved	Waiting signed response letters from municipal manager's office	To support SMMEs on receipt of response letters from municipal	Memo	LEDSR25

KPA: ECONOMIC DEVELOPMENT AND SPATIAL RATIONAL													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved/Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
LOCAL ECONOMIC DEVELOPMENT													
102		Number of Workshop with other sectors held	Workshop with other sectors were held	No Adjustments	2 Workshop with other sectors held by 31 March 2018	No Adjustments	162 211,45	4 Workshop with other sectors held	Target Exceeded	The variance was made by more sector initiations to host workshops	To attend workshops as per invitations from other sectors.	Workshop reports Attendance register	LEDSR26
103		Tourism Policy reviewed and adopted	New KPI	No Adjustments	Tourism Policy reviewed and adopted by 30 June 2018	No Adjustments	180 234,95	No Tourism Policy reviewed and adopted	Not Achieved	The delay was due to compiling the policy	To complete in compiling the policy in the next financial year	Memo	LEDSR27
104		Number of reports on revamping the heritage sites	New KPI	No Adjustments	2 reports on revamping the heritage sites by 30 June 2018	No Adjustments	240 313,26	No report on revamping the heritage sites	Not Achieved	Non allocation of EPWP for LED to be stationed at the heritage sites	To enquire to be allocated with EPWP for LED so to be stationed at the Heritage site and/or outsource service provider to revamp and maintain heritage site in the 3rd Quarter	Memo	LEDSR28
105		Number of reports on informal street traders licensed	New KPI	No Adjustments	4 reports on informal street traders licensed by 30 June 2018	No Adjustments	Operational budget	1 reports on informal street traders licensed	Not Achieved	The delay was due to data collection on informal street traders to issue licenses	To compile a report on informal street traders licensed when informal traders are provided with licenses	Informal street traders reports	LEDSR29
106	To source relevant project specific funding for all prioritized high impact projects	Number of reports on prioritized high impact projects	New KPI	No Adjustments	4 reports on prioritized high impact projects by 30 June 2018	No Adjustments	Operational budget	4 report on prioritized high impact projects	Achieved	Not Applicable	Not Applicable	Reports on prioritized high impact projects	LEDSR30
107	To support the infrastructure development through MRRRP	Number of MRRRP meeting attended	New KPI	No Adjustments	4 MRRRP meeting attended	No Adjustments	Operational budget	No MRRRP meeting attended	Not Achieved	The was no invitation requesting the LED unit to attend the meetings	To attend the meeting when invited	Memo	LEDSR31

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KPI: DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over-Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
INFRASTRUCTURE													
109	To provide water	Number of households provided with piped water on site (yard taps, tanks or house connections)	16055 households provided with piped water on site (yard taps, tanks or house connections)	15 303 households provided with piped water on site (yard taps, tanks or house connections) by 30 June 2018	No Adjustments	No Adjustments	2 277 006,89	17759 households provided with piped water on site (yard taps, tanks or house connections)	Target Exceeded	The variance number of households is due to meter readings reported and which their accounts are billed	The number of households to be provided with water will be billed according to the meter reading report provided by the municipality in the next quarter	Meter reports (Electronic copy)	BS11
110		Number of new water connections	10 new water connections	40 new water connections by 30 June 2018	No Adjustments	No Adjustments	Operational budget	16 new water connections	Not Achieved	New water connections are encouraged by applications made by the client.	New water connections will be made as per applications made by client.	Water connections application forms Updated Water register Daily work report	BS12
111		Number of water meters replaced	New KPI	12 Bulk & 1000 Domestic water meters replaced by 30 June 2018	12 Bulk & 400 Domestic water meters replaced by 30 June 2018	Insufficient Budget allocation	Operational budget	0 Bulk &1618 Domestic water meters replaced	Target Exceeded	The meter replacement work is performed by the municipal teams internally and the contracted service provider	The meter replacement work to be performed by the municipal teams internally and the contracted service provider	Customer water complaints register Water replacement form Daily work report	BS13
112		Number of water disconnections and reconnections performed	New KPI	1200 Disconnection & 1200 Reconnections performed by 30 June 2018	400 Disconnection & 400 Reconnections performed by 30 June 2018	Insufficient Budget allocation	Operational budget	272 disconnection & 205 reconnection performed	Not Achieved	Reconnections are encouraged by payments made by the clients	To disconnect and reconnect as per client payments made.	Finance Connection report Proof of payment Dis/Re-connections reports	BS14
113		Number of fire hydrants maintained	New KPI	180 fire hydrants maintained by 30 June 2018	120 fire hydrants maintained by 30 June 2018	Insufficient Budget allocation	Operational budget	337 fire hydrants maintained	Target Exceeded	The variance is due to other fire hydrants reported as per inspection made	To maintain fire hydrants as planned and as per reported inspections	Fire Hydrants register Daily work report	BS15

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / No. Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
INFRASTRUCTURE													
114		Number of new boreholes constructed	New KPI	24 new boreholes constructed by 30 June 2018	12 new boreholes constructed by 30 June 2018	Insufficient Budget allocation	Operational budget	11 New boreholes constructed	Not Achieved	Contractor issued with a job card but no work was completed due to the outstanding payments to the contractor	Follow up made with A-CFO for payment	Daily work report Water & Sanitation Monthly report	BS16
115		Number of boreholes maintained	New KPI	24 boreholes maintained by 30 June 2018	No Adjustments	No Adjustments	Operational budget	79 boreholes maintained	Target Exceeded	Boreholes are maintained according to the Clir's request and the municipal schedule designed based on usage.	To maintain boreholes according to the Clir's request and the municipal schedule designed based on usage.	Daily work report Water & Sanitation Monthly report	BS17
116		Number of liters of fuel (Diesel & Petrol) used to generate boreholes	New KPI	40000 liters of Petrol & 48000 liters of Diesel used to generate boreholes by 30 June 2018	No Adjustments	No Adjustments	Operational budget	55050L of fuel (34675L Diesel & 20375L Petrol) used to operate boreholes in rural areas	Not Achieved	The variance is due to Fuel provided for the boreholes in rural areas is in according to the Clir's request and the municipal schedule designed based on usage.	To provide fuel for the used to operate boreholes in rural areas is in according to the Clir's request and the municipal schedule designed based on usage.	Infrastructure Reports	BS18
117		Number of indigent households with access to free basic water	New KPI	213 indigent households with access to free basic water by 30 June 2018	No Adjustments	No Adjustments	13 402 789,36	3282 indigent households with access to free basic water	Target Exceeded	The variance is due to new indigent consumers registered on munsoft	To provide access to free basic water to indigents households whom are registered on the munsoft	Indigent Register	BS19

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE TARGETS													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved /Not Achieved)	Reason for Under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
INFRASTRUCTURE													
118		Number of funerals in rural wards provided with free basic water (tanks waters)	New KPI	1920 funerals in rural wards provided with free basic water (tanks waters) by 30 June 2018	No Adjustments	No Adjustments	Operational budget	1517 funerals in rural wards provided with free basic water	Not Achieved	Funerals provided according to the Cllr's request and the municipal schedule designed based on usage.	To provide free basic water to funerals according to the Cllr's request and the municipal schedule designed based on usage.	Daily work report Water & Sanitation Monthly report	BS110
119		Number of community tanks in rural wards provided with free basic water	New KPI	2160 community tanks in rural wards provided with free basic water by 30 June 2018	No Adjustments	No Adjustments	Operational budget	2822 community tanks in rural wards provided with free basic water.	Target Exceeded	Community tanks provided according to the Cllr's request and the municipal schedule designed based on usage.	To provide Community tanks according to the Cllr's request and the municipal schedule designed based on usage.	Daily work report Water & Sanitation Monthly report	BS111
120	To provide sanitation	Number of Households provided with access to basic house sewer connections	15289 Households provided with access to basic house sewer connections	15303 Households provided with access to basic house sewer connections by 30 June 2018	No Adjustments	No Adjustments	793 142,14	17088 Households provided with access to basic house sewer connections	Target Exceeded	The variance is due to increased number of households billed	To provide households with basic house sewer connection as per billing report.	Billing report (Electronic copy)	BS112
121		Mega litres of wastewater discharged per day	In and out flow of Mega litres of wastewater discharged not measured	50 Mega litres of wastewater discharged per day	KPI removed	KPI removed	Operational budget	KPI removed	KPI removed	KPI removed	KPI removed	Infrastructure Reports	BS113
122		Number of samples of drinking water and wastewater collected and analysed	New KPI	304 samples of drinking water and wastewater collected and analysed by 30 June 2018	No Adjustments	No Adjustments	Operational budget	280 samples of drinking water and wastewater collected and analysed	Not Achieved	The contracted service provider for water & wastewater monitoring could not carry out the sampling for February month.	An email was sent to the service provider to emphasize the importance of sampling on monthly basis, and that sampling cannot be done for a lapse	Water & waste water quality monitoring Reports. Email- communicate between the contractor and municipal official	BS114

KPA: BASIC SERVICES DELIVERY INFRASTRUCTURE INVESTMENT												
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Expected Outcome (2017-18)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
INFRASTRUCTURE												
123		Number of pump stations maintained	New KPI	17 pump stations maintained by 30 June 2018	No Adjustments	Operational budget	17 pump stations maintained	Achieved	Frequent breakdown of pumps require urgent maintenance for a continuous sewer flow	To maintain frequent breakdown of pumps	Daily work report Water & Sanitation Monthly report	BS115
124		Number of sewer blockages cleared	New KPI	800 sewer blockages cleared by 30 June 2018	No Adjustments	Operational Budget	1528 sewer blockage cleared	Target Exceeded	Reported sewer blockages require urgent attention to avoid spillage	To clear sewer blockages as reported	Daily work report Water & Sanitation Monthly report	BS116
125		Number of indigent Households with Access to Free Basic sanitation.	New KPI	213 indigent Households with Access to Free Basic sanitation by 30 June 2018	No Adjustments	5 424 100,00	3282 indigent Households with Access to Free Basic sanitation	Target Exceeded	The variance is due to new indigent consumers registered on munsoft	To provide access to free basic water to indigents households whom are registered on the munsoft	Indigent Register	BS117
126	To construct, Upgrade and Maintain Roads	Number of kilometers of tar road constructed at Thembane Phase 1 (Multiyear project 2015-16 & 2017-18)	Road not constructed to tar in Thembane Phase 1	2.2 KMs of tar road constructed in Thembane Phase 1 (Ward 5) by 30 June 2018	No Adjustments	4 537 103,31	2.2 KMs of tar road constructed in Thembane Phase 1 not completed	Not Achieved	Project on hold due to non performance of contractor, close tender method followed to appoint new contractor	Competitive bidding done, awaiting the appointment of the Contractor. Due to be completed in term 3 of the new fin year.	Adjudication minutes Infrastructure progress Reports Minutes of the meetings	BS118
127		Number of kilometers of gravel road upgraded to tar at Setumo high school road (Multiyear	Road not upgraded to tar at Setumo high school road	2.7 KMs gravel road upgraded to tar at Setumo high school road by 31 August 2017	No Adjustments	2 277 632,37	1.5 Kms and 150m kerbs of Kms gravel road upgraded to tar at Setumo high school road	Not Achieved	Delays of supply of material such as paving and kerbs, community resistance to the contractor	Cessionary agreements signed community engagements done through the ward	Site progress meetings Infrastructure Reports Minutes of the meetings	BS119

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual/Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
INFRASTRUCTURE													
		project 2015-16 & 2017-18)									councillor and CLO		
128		Number of kilometers of tar road constructed in Ward 30 (Multiyear project 2015-16 & 2017-18)	Road not constructed in Ward 30	1,3 KMs of tar road constructed in Ward 30 by 31 August 2017	1,3 KMs of paving road constructed in Ward 30 by 31 August 2017	KPI Modified	2 346 167,05	1,3 KMs of paving road constructed in Ward 30 completed but not handed over by 30 June 2018	Not Achieved	The project was completed and completion certificate was handed over on 11 July 2018, the delay was due project interventions	Completion certificate handed over on 11 July 2018	Infrastructure Reports Minutes of the meetings Completion certificate	BSI20
129		Kilometers of Storm Water Drainage System Maintained in Extension 39 Formal Settlement	New KPI	2 KMs Storm Water Drainage System Maintained in Extension 39 Formal Settlement	KPI removed	Insufficient Budget allocation	1 657 200,00	KPI removed	KPI removed	KPI removed	KPI removed	Infrastructure Reports Minutes of the meetings Completion certificate	BSI21
130		Number of Kilometers of surfaced roads upgraded in unit 14; Unit 12; Zobo road; First street; South street; South Street	New KPI	6,7KMs of surfaced roads upgraded in unit 14; Unit 12; Zobo road; First street; South Street by 30 June 2018	KPI removed	The KPI was collective and its now separated in 3 different contractors	6 683 150,00	KPI removed	KPI removed	KPI removed	KPI removed	Infrastructure Reports Minutes of the meetings Completion certificate	BSI22
131		Number of Kilometers of surfaced roads upgraded in unit 14 and Unit 12	New KPI	2,5KMs of surfaced roads upgraded in unit 14(1,5KM) and Unit 12(1KM) by 28 February 2018	Added a new KPI	The KPI was collective and its now separated in 3 different contractors	6 683 150,00	Project in complete. Unit 14 roads unsatisfactory, unit 12 - GYPSY road still need resealing	Not Achieved	Final mixing of tar in unit 14 was not done properly and after patching unit 12 still need resealing	To issue Completion certificate to the contractor until all snag list are attended to.	Site progress meeting report Infrastructure Reports Minutes of the meetings	BSI23

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target Adjustments	Reason for Adjustments	Budget	Annual/Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
INFRASTRUCTURE													
132		Number of kilometers of surfaced roads upgraded in Zobo road	New KPI	2.5 Kms of surfaced roads upgraded in Zobo road by 28 February 2018	Added a new KPI	The KPI was collective and its now separated in 3 different contractors		2.5 Kms of surfaced roads upgraded in Zobo road	Achieved	The project was completed by 15 May 2018	Not applicable	Site progress meeting report Infrastructure Reports Minutes of the meetings Completion certificate	BS124
133		Number of kilometers of surfaced roads upgraded in First street and South Street	New KPI	1.7 Kms of surfaced roads upgraded in First street (1KM) and South Street (0.7KM) by 28 February 2018	Added a new KPI	The KPI was collective and its now separated in 3 different contractors		1.7 Kms of surfaced roads upgraded in First street (1KM) and South Street (0.7KM)	Achieved	The project was completed by 15 May 2018	Not applicable	Site progress meeting report Infrastructure Reports Minutes of the meetings Completion certificate	BS125
134		Number of kilometers of gravel roads maintained (bladed)	Gravel roads not maintained (bladed)	8 Kms gravel roads maintained (bladed) by 30 June 2018	No Adjustments	No Adjustments	Operational budget	0.133 Kms gravel roads maintained (bladed)	Not Achieved	The delay was due to municipality grader was sent for repairs at workshop	To grade as planned in the next Quarter	Infrastructure Reports	BS126
135		Number of speed humps constructed	9 Speed Humps Constructed	12 speed humps constructed by June 2018	No Adjustments	No Adjustments		18 speed humps constructed	Target Exceeded	The small plant and hot mix asphalt at stores were readily available	To request small plant and hot mix asphalt at stores when available	Infrastructure Reports	BS127
136		Number of kilometers of Storm Water Drainage System Maintained	13.88 Kms Storm Water Drainage System Maintained	20 Kms Storm Water Drainage System Maintained by 30 June 2018	10 Kms Storm Water Drainage System Maintained by 30 June 2018	Insufficient Budget allocation		2.8808 kms Storm Water Drainage maintained	Not achieved	Only covering minor maintenance and the remaining kilos was for intensive maintenance requiring specialised machinery and the more work done during the seiso/sane program	Currently we are using two service providers which are appointed by Water And Sanitation whereby we utilised them only when they are available.	Infrastructure Monthly reports Roads and Storm water Daily Reports	BS128

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT												
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
INFRASTRUCTURE												
137		Number of damaged Street Names and Plates Replaced	No damaged Street Names and Plates Replaced	20 damaged Street Names and Plates Replaced by 30 June 2018	No Adjustments	No Adjustments	61 Street names were replaced	Target Exceeded	Over performed due to availability of the team to replacing damage street name and plates	To replace damaged street name and plates on availability of the team	Infrastructure Monthly reports	BSI29
138		Number of kilometers of surfaced roads patched and resealed	27.45 KMs of roads were patched and resealed	20 KMs of surfaced roads patched and resealed by 30 June 2018	Insufficient Budget allocation		10.61509KMs Roads patched	Not achieved	There was a shortage of patching material with procurement of pothole patching machinery still pending.	Procurement of machinery relevant to pothole patching works	Infrastructure Monthly reports Roads and Storm water Daily Reports	BSI30
139	To provide Public Lighting	Number of indigents households with access to free basic electricity	No free basic electricity for indigents	217 indigents households with access to free basic electricity by 30 June 2018	No Adjustments	No Adjustments	No indigents households with access to free basic electricity	Not Achieved	The delay was due to the municipality still in process of clearing misappropriation of Mahikeng Local Municipality indigents in the Eskom indigent register	To communicate with Eskom and clear the misappropriation of Mahikeng Local Municipality indigents in the Eskom indigent register	Indigent Register	BSI31
140		Number of Street lights maintained (7500 Lights total)	518 Street lights maintained	1200 Street lights maintained by 30 June 2018	The streets lights were re-audited and the total number for street lights was reduced to 5879.	566 000.00	438 street lights were maintained	Target Exceeded	Resources were readily available to maintain traffic lights	Purchasing of material in large quantity to maintain traffic lights	Infrastructure daily reports and Monthly reports	BSI32
141		Number of high mast lights maintained (626 light total)	314 High mast lights maintained	120 high mast lights maintained by 30 June 2018	No Adjustments		658 high mast were maintained	Target Exceeded	Resources were readily available to maintain high mast lights	Purchasing of material in large quantity to maintain high mast lights	Infrastructure daily reports and Monthly reports	BSI33
142		Number of traffic lights intersection maintained	115 traffic lights intersection maintained	40 traffic lights intersection maintained by June 2018	No Adjustments	Operational budget	84 Traffic lights were maintained	Target Exceeded	Resources were readily available to maintain traffic lights	Purchasing of material in large quantity to maintain traffic lights	Infrastructure daily reports and Monthly reports	BSI34

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KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (SFA)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
INFRASTRUCTURE													
		developed		30 June 2018							Assessment study		
149		Number of Landfill Site upgrading	New KPI	1 Landfill Site upgrading by 30 June 2018	No Adjustments	No Adjustments	5 800 000	Landfill Site upgrading not completed	Not Achieved	Fence is at 90%; Roof complete, The contractor is still busy with filling and painting	To complete Landfill Site upgrading in the next financial year	Infrastructure Reports Minutes of the meetings	BSI41
150		Number of community cemeteries upgrading	New KPI	Number of community cemeteries upgrading (Matlalong graveyard) by 30 June 2018	No Adjustments	No Adjustments	13 687	Community cemeteries upgrading (Matlalong graveyard) not completed	Not Achieved	Completed concrete palisade fence by 95%; Gates still to be erected, the contractor still busy with paving	To complete the community cemeteries upgrading (Matlalong graveyard) in the next financial year	Infrastructure Reports Minutes of the meetings	BSI42
151		Number of monthly reports on MIG/PIG performance submitted	New KPI	12 monthly reports on MIG/PIG performance submitted council by 30 June 2018	No Adjustments	No Adjustments	Operational budget	12 monthly reports on MIG/PIG performance submitted to council	Achieved	Not applicable	Not applicable	MIG/PIG monthly reports	BSI43
152		Number of work opportunities created through EPWP	New KPI	250 work opportunities created through EPWP by 30 June 2018	No Adjustments	No Adjustments	Operational budget	336 EPWP beneficiaries appointed	Target Exceeded	The management at the 2018/19 strategic planning resolved that the number of EPWP beneficiaries should be of 10 EPWP per ward. Therefore the number increased to 350 EPWP beneficiaries	To appoint 350 EPWP beneficiaries	List of EPWP Timesheet Monthly report Resolution	BSI44
153		Number of workshops for EPWP	New KPI	1 workshop for EPWP by 30 June 2018	No Adjustments	No Adjustments	3 660 000	1 induction workshop for EPWP conducted	Achieved	Not applicable	Not applicable	Workshop attendance register	BSI45

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
INFRASTRUCTURE													
154		Number of Provision of personal protective clothing for EPWP beneficiaries	New KPI	250 of Provision of personal protective clothing for EPWP beneficiaries by 30 June 2018	Added a new KPI	EPWP Grant received		No provision of personal protective clothing for EPWP beneficiaries	Not Achieved	The delay was due to getting EPWP beneficiaries size specification for personal protective clothing	To get all EPWP Beneficiaries size specification for personal protective clothing	Memo	BSI46
155		Number(12) of EPWP monthly salary reports by 30 June 2018	New KPI	12 EPWP monthly salary reports by 30 June 2018	Added a new KPI	EPWP Grant received		12 EPWP monthly salary reports	Achieved	Not applicable	Not applicable	Attendance register and proof of payment for salaries	BSI47

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target Adjustments	Reason for Adjustments	Budget	Annual/Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PUBLIC SAFETY													
156	To provide professional law enforcement Management services	Number of road blocks conducted	42 Road blocks conducted	12 Roving & 12 Static Roadblocks conducted by 30 June 2018	No Adjustments	No Adjustments	Operational budget	44 Roadblocks conducted	Target exceeded	The variance is due to roadblock operations which were conducted during Setsokolsane programme and Other roadblocks were initiated by other stakeholders	To conduct roadblocks as planned and for special operations	Law enforcement Road blocks Reports	BSPS1
157		Number of schools where scholar patrol trainings were conducted	5 Scholar patrol trainings conducted	05 schools where scholar patrol trainings were conducted by 31 March 2018	No Adjustments	No Adjustments	Operational budget	11 schools where scholar patrol trainings were conducted	Target exceeded	Other schools which did not register requested to be trained	To train scholar patrol on request of schools	Law Enforcement Scholar Patrol school register	BSPS2
158		Number of speed enforcement conducted	No Speed enforcement conducted	120 speed enforcement conducted by 30 June 2018	No Adjustments	No Adjustments	Operational budget	75 speed enforcement conducted	Not achieved	Traffic Officers could not operate normally due to Public protest in April 2018	To more Speed enforcement in the next quarter.	Law Enforcement Speed enforcement reports	BSPS3
159		% of the identified damaged road signs repaired /replaced	Identified damaged road signs repaired/ replaced	100 % identified damaged road signs repaired/ replaced by 30 June 2018	No Adjustments	No Adjustments	Operational budget	100 % (185) identified damaged road signs repaired/ replaced	Achieved	93 more road signs were identified vandalised by community during the community strike.	Submitted a report of all road signs vandalised, to be replace in the next financial year	Law Enforcement Logistics monthly reports	BSPS4
160		Number of inspections conducted at the Municipal Pound	50 Inspections were conducted at the Municipal Pound	48 Inspections conducted at the Municipal Pound by 30 June 2018	No Adjustments	No Adjustments	Operational budget	53 Inspections were conducted at Municipal Pound	Target exceeded	The inspections at Municipal Pound are conducted weekly and the 2017/2018 year has 53 weeks	To conduct inspection at Municipal pound every week	Inspection check list reports	BSPS5

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PUBLIC SAFETY													
161		% of identified faded road markings painted	100% identified faded road markings painted	100% identified faded road markings painted by 30 June 2018	No Adjustments	No Adjustments	Operational budget	100% (96.74kms) identified faded road markings painted	Achieved	Not applicable	Not applicable	Law Enforcement Logistics reports	BSPS6
162		Number of vehicles stopped and checked	New KPI	55440 vehicles stopped and checked by 30 June 2018	12000 vehicles stopped and checked by 30 June 2018	Traffic officers are not only focusing on stopping vehicles they also do ascouts and other activities	Operational budget	16214 Vehicle were stopped and checked	Target exceeded	Traffic Officers were encouraged to complete NREP forms	To encourage Traffic Officers to complete NREP forms	Law Enforcement Logistics reports	BSPS7
163		Number of drunken driving operations conducted	New KPI	4 drunken driving operations conducted by 30 June 2018	No Adjustments	No Adjustments	Operational budget	1 Drunken driving operation was conducted	Not achieved	The service provider could not submit the required documents (CSD and Tax Certificate) for calibration of breathyliser equipment	To conduct Drunken driving operation in the next quarter	Law Enforcement Logistics reports	BSPS8
164		Number of compliance visits on existing scholar patrols	New KPI	4 compliance visits on existing scholar patrols by 30 June 2018	No Adjustments	No Adjustments	Operational budget	4 compliance visits on existing scholar patrols	Achieved	Not applicable	Not applicable	Law Enforcement Logistics reports	BSPS9
165		% Establishment of By-Law enforcement Unit	Establishment of By-Law enforcement Unit	100% Establishment of By-Law enforcement Unit by 30 June 2018	KPI removed	The task was completed the in 2016/17	Operational budget	KPI removed	KPI removed	KPI removed	KPI removed	Establishment of By-Law enforcement Unit Progress Reports	BSPS10

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual/Target (Year) Adjustments	Reason for Adjustments	Budget	Annual/Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PUBLIC SAFETY													
166	To provide Testing and licensing services in accordance with legislation	Number of learners license applicants tested	Learners license applicants tested	4800 learners license applicants tested per month	4800 learners license applicants tested by 30 June 2018	KPI modification	Operational budget	5811 Applicants were tested for learners licenses	Target exceeded	The variance is due to more number of applicants applied for testing for learners licenses	To test applicants who applied for testing for learners licenses	Licensing Monthly Statistical reports from system	BSPS11
167		Number of driver's license applicants tested per month	Driver's license applicants tested	2400 of driver's license applicants tested per month	1200 of driver's license applicants tested by 30 June 2018	There is only one testing officer for heavy vehicles and when other is not available, they cancel applicants appointments	Operational budget	1523 Applicants were tested for driving licenses	Target exceeded	The variance is due to more number of applicants applied for testing for driving licenses	To test applicants who applied for testing for driving licenses	Licensing Monthly Statistical reports from system	BSPS12
168		Number of Permits requested (PrDP) issued per month	Permits (PrDP) requested were issued per month	1920 of Permits requested (PrDP) issued per month	1920 of permits requested (PrDP) issued by 30 June 2018	KPI modification	Operational budget	2516 Permits were issued	Target Exceeded	The variance is due to less number of applicants applied for Permits	To issue permits to applicants who applied for Permits	Licensing Monthly Statistical reports from system	BSPS13
169		Number of Driving Licence renewed per month	Driving license were renewed	4800 of Driving Licence renewed per month	4800 of driving license renewed by 30 June 2018	KPI modification	Operational budget	5619 Driving licenses were renewed	Target Exceeded	The variance is due to more number of applicants applied for Driving licenses renew	To renew driving licenses to applicants who applied for Driving licenses renewed	Licensing Monthly Statistical reports from system	BSPS14

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PUBLIC SAFETY													
170		Number of vehicles tested per month	Vehicles were tested per month	2160 of vehicles tested per month	2160 of vehicles tested by 30 June 2018	KPI modification	Operational budget	2346 Vehicles tested for road worthiness	Target Exceeded	The variance is due to more number of applicants applied for testing for vehicles tests for roadworthiness	To test vehicles for roadworthiness for applicants who applied for vehicles tests for roadworthiness	Licensing Monthly Statistical reports from system	BSPS15
171	Provide professional Fire, Rescue and Disaster Management Services	Number of Fire Safety compliance inspections conducted	185 Fire Safety compliance inspections conducted	240 Fire Safety compliance inspections conducted by 30 June 2018	120 fire safety compliance inspections conducted by 30 June 2018	There is only one fire safety officer and the other one has resigned in December 2017	Operational budget	173 Fire Safety inspection were conducted	Target exceeded	One of EPWP Beneficiaries is assisting as he has relevant qualifications	To conduct Fire Safety compliance inspections as required	Fire Emergency services and Disaster management monthly report	BSPS16
172		% of Dangerous goods permits issues on requests	New KPI	100% of dangerous goods permits issued on request by 30 June 2018	No Adjustments	No Adjustments	Operational budget	No Dangerous goods permits were issued	Not Achieved	No vehicles turned up for issue of dangerous goods permits	To issue dangerous goods permits on the vehicles as and when they turn up	Memo	BSPS17
173		% building plans received and recommended on request	New KPI	100% of building plans and recommend on request by 30 June 2018	No Adjustments	No Adjustments	Operational budget	100% (46) Building plans were recommended on request	Achieved	Not applicable	Not applicable	Monthly reports	BSPS18
174		Number of Fire Safety Awareness programs conducted	38 Fire Safety Awareness programs conducted	40 Fire Safety Awareness programs conducted by 30 June 2018	No Adjustments	No Adjustments	Operational budget	142 Fire safety awareness programs were conducted	Target Exceeded	The variance is due to more demand on fire Safety Awareness programs	To conduct Fire Safety Awareness programs when requested	Fire Emergency services and Disaster management monthly report	BSPS19

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year)	Reason for Adjustments	Budget	Annual/Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PUBLIC SAFETY													
175		Number of fire hydrants inspected	733 Fire hydrants inspected	300 fire hydrants inspected by 30 June 2018	No Adjustments	No Adjustments	Operational budget	657 Fire hydrants were inspected	Target Exceeded	The variance was due to more work performed by Fire Prevention Officer and Fire Fighters	To inspect planned fire hydrants in the next financial year.	Fire Emergency services and Disaster management monthly report	BSPS20
176		Establishment of Interdepartmental Disaster Management committee	New KPI	Establishment of Interdepartmental Disaster Management committee by 30 June 2018	No Adjustments	No Adjustments	Operational budget	Interdepartmental Disaster Management Committee has not been established	Not Achieved	The delay was due to directorates nominating the members for interdepartmental Disaster Management committee	To establish interdepartmental Disaster Management committee in the next financial year	Minutes of the meetings Attendance register	BSPS21
177		Number of disaster management campaigns to be conducted	New KPI	4 disaster management campaigns to be conducted by 30 June 2018	1 Disaster management campaigns to be conducted by 30 June 2018	The service providers are not easily accessible	Operational budget	Disaster Management Campaign was not conducted	Not Achieved	The delay is due to waiting for the grant funding to conduct disaster Management Campaign	To conduct disaster Management Campaign on receipt of the grant	Memo	BSPS22
178		% of Disaster assessments conducted per month	100% Disaster assessments conducted	100 % of Disaster assessments conducted per month	No Adjustments	No Adjustments	Operational budget	100 % (160) Disaster assessments conducted	Achieved	Not applicable	Not applicable	Fire Emergency services and Disaster management monthly report	BSPS23
179		% of rescue incidents reported and attended	100% rescue incidents attended	100% rescue incidents reported and attended by 30 June 2018	No Adjustments	No Adjustments	Operational budget	100% (55) rescue incidents reported and attended	Achieved	Not applicable	Not applicable	100% rescue incidents reported and attended to	BSPS24

KPA: BASIC SERVICE/DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PUBLIC SAFETY													
180		% of reported Fire Incidents attended to on request	100% of reported Fire incidents attended	100% of reported Fire Incidents attended to on call	No Adjustments	No Adjustments	Operational budget	100% (369) reported Fire Incidents attended to on call	Achieved	Not applicable	Not applicable	Fire Emergency services and Disaster management monthly report	BSPS25
181		% of other emergency Incidents attended to on request	100% of other emergency Fire Incidents attended	100% of other emergency Fire Incidents attended to on request	No Adjustments	No Adjustments	Operational budget	100% (53) other emergency Fire Incidents attended to on request	Achieved	Not applicable	Not applicable	Fire Emergency services and Disaster management monthly report	BSPS26
182		Number of mini satellite fire stations developed	New KPI	1 mini satellite fire stations developed by 30 June 2018	KPI removed	The municipality is still locating the grant which was promised from Provincial Disaster management	2 000 000	KPI removed	KPI removed	KPI removed	KPI removed	Development Progress report	BSPS27
183	To provide Security and Fleet Management Services	Number of Physical Security risks and threats assessment conducted	Physical security risk and threats audit conducted	1 Physical Security risks and threats assessment conducted by 30 June 2018	No Adjustments	No Adjustments	Operational budget	SAPS was requested to conduct physical security risk assessment	Not Achieved	SAPS 2016 Assessment report is still applicable until it is implemented	SAPS recommendations be implemented during 2018/2019 financial year for Public Safety	Physical Security Assessment Report	BSPS28

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target (Year) Adjustments	Reason for Adjustments	Budget	Annual/Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PUBLIC SAFETY													
184		Number of Information Security risks and threats assessment conducted	Information security risk and threats audit conducted	1 Information Security risks and threats assessment conducted by 30 June 2018	No Adjustments	No Adjustments	Operational budget	State Security Agency conducted information security risk assessment on 13 April 2018 in the offices of Executive Mayor and Municipal Manager	Achieved	Not applicable	Not applicable	Information Security Assessment Report	BSPS29
185		% Installation of Perimeter Fence at Traffic yard and Fire Station	No installation of Perimeter Fence at Traffic yard and Fire Station	100% Installation of Perimeter Fence at Traffic yard and Fire Station by 30 June 2018	KPI removed	Competency of Infrastructure Directorate	1 500 000	KPI removed	KPI removed	KPI removed	KPI removed	Progress reports Specification Advert Appointment	BSPS30
186		% Installation of Access Control at Traffic yard and Fire Station	No installation of Access Control at Traffic yard and Fire Station	100% Installation of Access Control at Traffic yard and Fire Station by 30 June 2018	KPI removed	Competency of Infrastructure Directorate	1 000 000	KPI removed	KPI removed	KPI removed	KPI removed	Progress reports Specification Advert Appointment	BSPS31
187		% Installation of Perimeter Fence at Municipal yard	No installation of Perimeter Fence at Municipal yard	100 % Installation of Perimeter Fence at Municipal yard by 30 June 2018	KPI removed	Competency of Infrastructure Directorate	1 000 000	KPI removed	KPI removed	KPI removed	KPI removed	Progress reports Specification Advert Appointment	BSPS32

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target Adjustments	Reason for Adjustments	Budget	Annual/Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PUBLIC SAFETY													
188		% Installation of Access Control at Municipal yard	No Installation of Access Control at Municipal yard	100% Installation of Access Control at Municipal yard by 30 June 2018	KPI removed	Competency of Infrastructure Directorate	1 000 000	KPI removed	KPI removed	KPI removed	KPI removed	Progress reports Specification Advert Appointment	BSPS33
189		% of Installation of security x-ray machine and walk through metal detector	New KPI	100% of Installation of security x-ray machine and walk through metal detector by 30 June 2018	No Adjustments	No Adjustments	Operational budget	No installation of security x-ray machine and walk through metal detector	Not Achieved	The delay was due to Specifications submitted to Supply Chain Management	To speed up SCM processes	Installation report	BSPS34
190		Number of security briefing awareness campaign conducted	New KPI	4 security briefing awareness campaign conducted by 30 June 2018	No Adjustments	No Adjustments	Operational budget	2 security briefing awareness campaign conducted	Not Achieved	The security briefing awareness campaign planned on the 16 November 2017 was postponed due to memorial services	To arrange for a security briefing awareness campaign to be conducted in the 3rd Quarter	Attendance register Campaigns Reports	BSPS35
191		Number of reports on monitoring of Municipal fleet conducted	New KPI	12 reports on monitoring of Municipal fleet conducted by 30 June 2018	No Adjustments	No Adjustments	Operational budget	12 Reports on monitoring of Municipal Fleet	Achieved	Not applicable	Not applicable	Report on Municipal Fleet Monitoring	BSPS36
192		Fleet management policy reviewed	New KPI	Fleet management policy reviewed by 31 December 2017	No Adjustments	No Adjustments	Operational budget	Fleet management policy reviewed by council	Achieved	Workshops on Fleet Management Policy have been conducted during the month of March 2018	Not applicable	Copy of approved policy	BSPS37

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT													
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Annual Target Adjustments	Reason for Adjustments	Budget	Annual/Actual Performance	Status (Achieved / Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
PUBLIC SAFETY													
193		Number of drivers training programme per directorates Implemented	New KPI	4 drivers retraining programme per directorates implemented by 30 June 2018	No Adjustments	No Adjustments	Operational budget	Drivers retraining programme was not implemented	Not Achieved	The delay was due to handing over the matter to human resource to conduct training	Human resource to take over and to conduct training for drivers in the next quarter.	Training reports	BSPS38
194		Number of municipal control room renovated	New KPI	1 municipal control room renovated by 30 June 2018	KPI removed	The budget allocated is insufficient	100 000	KPI removed	KPI removed	KPI removed	KPI removed	Specifications Advert Appointment	BSPS39

KPA: 1.4 - PMO-DELIVERY AND INFRASTRUCTURE INVESTMENT												
KPI Numb	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
COMMUNITY SERVICES												
195	Provide Waste management services	Number of household and trade premises provided with refuse removal services in residential urban areas	11470 Household and trade premises provided with refuse removal services	15000 household and trade premises provided with refuse removal services in residential urban areas by 30 June 2018	No Adjustments	Operational budget	12170 household and trade premises provided with refuse removal services in residential urban areas	Not Achieved	The variance number of households is due to households which their accounts are billed for refuse removal monthly	The number of households to be provided with refuse removal services will be billed according to the services provided by the municipality in the next quarter	Refuse Removal Service Reports	BSCS1
196		Number of rural/per-urban wards provided with free refuse removal services	18 rural/per-urban wards were provided with free refuse removal services	18 rural/per-urban wards provided with free refuse removal services by 30 June 2018	No Adjustments	18 291 378,60	18 rural/per-urban wards provided with free refuse removal services	Achieved	Not Applicable	Not Applicable	Refuse Removal Service Reports (Rural/ Peri-urban areas)	BSCS2
197		Number of illegal dumping spots cleaned	75 illegal dumping spots were cleaned	80 illegal dumping spots cleaned by 30 June 2018	No Adjustments	Operational budget	66 illegal dumping spots cleaned	Not achieved	Breakdown of vehicles	Improve turnaround time of vehicle breakdown.	Refuse services monthly reports	BSCS3
198		Number of anti-littering campaigns conducted	Anti-littering campaigns were conducted	4 anti-littering campaigns conducted by 30 June 2018	No Adjustments	144 188	4 anti-litter campaign conducted	Achieved	Not applicable	Not applicable	Anti-littering campaign reports Attendance register	BSCS4
199		Number of quarterly reports on Facilitation of construction composting facility by DEA	Reports on Facilitation of construction composting facility by DEA	4 reports on Facilitation of construction composting facility by DEA by 30 June 2018	No Adjustments	Operational budget	4 report on Facilitation of the construction of the composting facility	Achieved	Not applicable	Not applicable	Quarterly Progress report on DEA Composting facility	BSCS5
200		Number of reports on monitoring of the landfill site	New KPI	12 Reports on landfill site monitoring by 30 June 2018	No Adjustments	Operational budget	12 Reports on landfill site monitoring	Achieved	Not applicable	Not applicable	Monthly report on inspections conducted	BSCS6

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
COMMUNITY SERVICES												
201	Provide Parks and Recreation services	Number of parks maintained	10 Parks were maintained	10 Parks maintained by 30 June 2018	No Adjustments	No Adjustments	1 080 565	11 Parks maintained	Target exceeded	Maintained 2 more parks were developed	Parks Monthly report on inspections conducted	BSCS7
202		Number of Cemeteries maintained	5 Cemeteries were maintained	5 Cemeteries maintained by 30 June 2018	3 Cemeteries maintained by 30 June 2018	Mmabatho, Ma hlang, Danville cemeteries are used for burials. Letlamoeng and Motshwa cemeteries are closed for burials.	Operational budget	3 cemeteries maintained	Achieved	Not applicable	Parks Monthly report Register Cemeteries Weekly reports	BSCS8
203		Number of wards where grass is cut in open spaces and side walks	Grass was cut in open spaces and sidewalks at the 16 wards	10 wards where grass is cut in open spaces and sidewalks by 30 June 2018	No Adjustments	No Adjustments	Operational budget	21 wards with grass cut in open spaces and sidewalks	Target Exceeded	More work was performed due to Thomamena campaign	To out grass as planned and during Thomamena campaign	Parks Monthly report
204		Number of Park bookings	28 Park bookings	20 Park bookings by 30 June 2018	No Adjustments	No Adjustments	Operational budget	27 park bookings	Not achieved	The was less demand on parks bookings	Park Bookings register Monthly Statistical reports of receipts	BSCS10
205		Number of Stadiums bookings	4 Stadiums bookings	20 Stadiums bookings by 30 June 2018	4 Stadiums bookings by 30 June 2018	The public is showing no interest in booking the stadium because the stadium is not in good condition to host, and there is no budget to improve it.	Operational budget	6 Stadiums bookings	Target Exceeded	The variance was due to more demand to use the stadium	To make bookings as per demand Stadium Bookings register Monthly Statistical reports of receipts	BSCS11
206		Number of Stadiums maintained	New KPI	1 Stadium maintained by 30 June 2018	No Adjustments	No Adjustments	1 090 000	1 stadium maintained	Achieved	Not applicable	Stadium Monthly report	BSCS12

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT												
KPI Number	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Annual Target (Year)	Reason for Adjustments	Budget	Annual Actual Performance	Status (Achieved /Not Achieved)	Reason for under/over Performance	Measures taken to improve performance	Portfolio of Evidence	Portfolio of Evidence Reference
COMMUNITY SERVICES												
207	To provide and maintain community facilities libraries community halls	Number of new library membership received	303 New library memberships received	200 new library membership received by 30 June 2018	No Adjustments	Operational budget	536 new library membership received	Target Exceeded	The variance is due to more demand on the new library membership received	To receive new library membership as per demand	Library membership applications Monthly Statistical reports Library Registers	BSCS13
208		Number of Library Services Awareness campaigns conducted	3 Library services awareness campaigns conducted	2 Library services awareness campaigns conducted by 30 June 2018	No Adjustments	Operational budget	4 library services awareness campaign	Target exceeded	The was need to do more library services awareness campaign	The unit to conduct library services awareness campaign when they see the need	Library Services Awareness campaigns reports Attendance register	BSCS14
209		Number of reports on piloting of mobile library services in wards	New KPI	4 reports on piloting of mobile library services in wards by 30 June 2018	No Adjustments	Operational budget	4 report on the piloting of the mobile library	Achieved	Not applicable	Not applicable	Sector department (CATA) Reports	BSCS15
210		Number of Civic Centre bookings per customer	94 Civic Centre bookings	60 Civic Centre bookings per customer by 30 June 2018	No Adjustments	Operational budget	83 Civic Centre bookings per customer	Target Exceeded	The variance is due to more demand on the Civic Centre bookings	To book the Civic Centre as per demand	Civic Centre Bookings register Monthly reports	BSCS16

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION

The municipality had a total of 836 employees and 69 councilors for 2017/18 financial year also appointed 38 new employee and 25 were termination of employees.

COMPONENT A: THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	2016/17	2017/18			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Office of the Mayor	13	14	13	1	7%
Office of the Speaker	15	15	15	0	0%
Office of Council Whip	4	4	4	0	0%
Councilors	59	69	69	0	0%
Office of the Municipal Manager	6	24	9	15	75%
Corporate Support Services	36	84	36	48	60%
Community Services	260	368	329	39	11%
Public Safety	97	165	117	48	30%
Planning and Development	16	35	23	13	46%
Infrastructure	125	800	197	603	76%
Finance	59	87	39	48	56%
Totals	689	1665	836	829	50%

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Vacancy Rate: Year 2017/18			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Office of the Mayor	14	1	7%
Office of the Speaker	15	0	0%
Office of Council Whip	4	0	0%
Councilors	69	0	0%
Office of the Municipal Manager	24	18	75%
Corporate Support Services	84	50	60%
Community Services	368	40	11%
Public Safety	165	50	30%
Planning and Development	35	16	46%
Infrastructure	800	605	76%
Finance	87	49	56%
Totals	1665	829	50%

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2017/18	33	41	124 %

MAHIKENG LOCAL MUNICIPALITY

EXECUTIVE MAYOR OFFICE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION/ NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Political Advisor	6	VACANT
2.	One	Head : Office of the Executive Mayor	2	OCCUPIED
3.	One	Executive Secretary	8	OCCUPIED
4.	One	Administration Assistant to the Head	9	OCCUPIED
5.	One	Manager: Stakeholder Relations	3	OCCUPIED
6.	One	Manager: Special Projects	3	OCCUPIED
7.	One	Manager: Protocol	3	OCCUPIED
8.	One	Special Project Officer	6	OCCUPIED
9.	Two	Drivers	13	OCCUPIED
10.	Two	VIP Protection	13	OCCUPIED
11.	Two	Protocol Officer	6	OCCUPIED

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2017/2018				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0-3	4	4	-	-
4-6	4	3	1	25%
7-9	2	2	-	-
10-12	-	-	-	-
13-15	4	4	-	-
Total	14	13	1	7%

SPEAKERS OFFICE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Head in the Office of the Speaker	2	OCCUPIED
2.	One	Executive Secretary	9	OCCUPIED
3.	One	Manager: Office of the Speaker	3	OCCUPIED
4.	One	Receptionist	12	OCCUPIED
5.	One	Driver/ Messenger	13	OCCUPIED
6.	One	Coordinator: MPAC	5	OCCUPIED
7.	One	Coordinator : Public Participation and Council Support	5	OCCUPIED
8.	One	Coordinator : Ward Committee	5	OCCUPIED
9.	One	Coordinator : Rules	5	OCCUPIED
10.	One	Admin Assistant : MPAC	9	OCCUPIED
11.	Four	Council Support Officers	6	OCCUPIED
12.	One	Ward Committee Officers	6	OCCUPIED

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2017/2018				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	2	2	-	-
4 -6	9	9	-	-
7 - 9	2	2	-	-
10 - 12	1	1	-	-
13 - 15	1	1	-	-
Total	15	15	-	-

COUNCIL WHIP OFFICE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Executive Secretary	9	OCCUPIED
2.	One	Manager: Office of the Whip	3	OCCUPIED
3.	One	Administrator	8	OCCUPIED
4.	One	Constituency Officer	6	OCCUPIED

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2017/2018				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	1	1	-	-
4 -6	1	1	-	-
7 - 9	2	2	-	-
Total	4	4	-	-

ORGANISATIONAL STRUCTURE

OFFICE OF THE MUNICIPAL MANAGER

No.	No of positions in the office	Name of position per structure	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Municipal Manager	030A	OCCUPIED
2.	One	Director :Corporate Support Services	030A	VACANT
3.	One	Director: infrastructure	030A	OCCUPIED
4.	One	Director : Community Services	030A	OCCUPIED
5.	One	Director : Public Safety	030A	OCCUPIED
6.	One	Director :Planning and Development	030A	VACANT
7.	One	Director : Finance	030A	VACANT
8.	One	Manager: Miss	3	VACANT
9.	One	HEAD:STRATEGIC MANAGEMENT	2	OCCUPIED
10.	One	Manager: PMS	3	OCCUPIED
11.	One	PMS: Coordinator	5	VACANT
12.	One	Secretary	8	OCCUPIED
13.	One	Administrative Assistant to the Head	9	VACANT
14.	One	Manager: Monitoring and Evaluation	3	VACANT
15.	Three	Policy Research and Development Officer	6	VACANT
16.	One	Manager: Communication	3	VACANT
17.	One	Admin Officer: Communication	8	OCCUPIED
18.	One	Communication Officer	6	OCCUPIED
19.	One	Manager: IDP	3	VACANT
20.	One	Coordinator : IDP	5	VACANT
21.	One	HEAD: INTERNAL AUDIT	2	VACANT
22.	One	Admin Assistant	9	VACANT
23.	One	Manager: Internal Audit	3	VACANT
24.	One	Internal Auditor	4	VACANT
25.	One	Manager: Risk Management	3	VACANT
26.	Two	Risk Officer	6	VACANT
27.	One	HEAD: LEGAL SERVICES	2	OCCUPIED
28.	One	Admin Assistant to the Head	9	VACANT
29.	One	Manager: Legal Services	3	OCCUPIED
30.	One	Compliance Officer	6	VACANT
31.	One	Legal Officer	6	OCCUPIED

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EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2017/2018				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	18	8	10	56%
4 -6	11	1	10	91%
7 - 9	5	2	3	60%
10 - 12	-	-	-	-
13 - 15	-	-	-	-
16 - 18	-	-	-	-
19 - 20	-	-	-	-
Total	34	11	23	68%

CORPORATE SUPPORT SERVICES

No.	No of positions in the office	Name of position per structure	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Executive Secretary	9	OCCUPIED
2.	One	Head: General Administration	2	OCCUPIED
3.	One	Head: Human Resources Management	2	OCCUPIED
4.	One	Administrative Assistant to the Head	9	VACANT
HEAD: HUMAN RESOURCES				
5.	One	Manager: Human Resource Development	3	OCCUPIED
6.	Two	Training and Development Officer	6	OCCUPIED X2 OCCUPANTS
7.	Two	Occupational Health and Safety Officer	5	OCCUPIED X 2 OCCUPANTS
8.	Two	Training and Development Administrator	8	VACANT
9.	One	Manager: Organizational Development	3	VACANT
10.	One	Manager: Labour Relations	3	OCCUPIED
11.	One	Manager: Personnel	3	VACANT
12.	One	Manager: Employee Health and Wellness	3	VACANT
13.	One	Organizational Development Officer	5	OCCUPIED
14.	One	Labour Relations Officer	5	VACANT
15.	Four	Personnel Officer	6	(4) 2 X OCCUPIED 2 X VACANT
16.	Two	Personnel Administrator	8	(2) 1X OCCUPIED 1 X VACANT
HEAD: ADMINISTRATION				
17.	One	Manager: ICT	3	OCCUPIED
18.	One	Manager: Records	3	VACANT
19.	One	Manager: General Administration	3	VACANT
20.	One	Committee Officer	6	VACANT
21.	One	Administration Officer	6	OCCUPIED
22.	One	Cleaning Supervisor	10	VACANT
23.	One	Call Center Supervisor	10	OCCUPIED
24.	Three	Committee Clerk	8	OCCUPIED
25.	Four	Messenger	13	3 X OCCUPIED
26.	Two	Switchboard Operator	13/12	OCCUPIED
27.	Two	Printing Room Attendant	9	VACANT
28.	Four	Call Centre Operator	13	OCCUPIED
29.	Thirty Seven	General Workers	15 and 17	32 X OCCUPIED
30.	One	Senior Personnel Officer	05	OCCUPIED
31.	One	Remuneration and Acquisition Administrator	8	OCCUPIED
	Two	Training Instructors	9	2 x OCCUPIED

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EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2017/2018				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	10	5	5	50%
4 -6	12	9	3	25%
7 -9	10	6	4	40%
10 -12	4	3	1	25%
13 -15	10	9	1	10%
16 -18	35	30	5	14%
19 -20	-	-	-	-
Total	81	62	19	23%

COMMUNITY SERVICES

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITON
1.	One	Head: Community Facilities	2	VACANT
2.	One	Head : Health Services	2	VACANT
3.	One	Head: Parks and Recreation	2	OCCUPIED
4.	One	Administrative Assistant to the Head	9	OCCUPIED

HEAD:HEALTH SERVICES

5.	One	Manager; Solid Waste Management	3	OCCUPIED
6.	One	Manager: Waste Management	3	VACANT
7.	One	Professional Nurse	8	VACANT
8.	One	Superintendent : Solid Waste Management	6	OCCUPIED
9.	One	Overseer: Refuse Removal	7	VACANT
10.	One	Overseer; Street Sweeper	7	VACANT
11.	One	Overseer : Illegal Dumping	7	VACANT
12.	Seven	Team Leader; Refuse Removal Driver	10	OCCUPIED
13.	Eight	Team Leader: Street Sweeper	11	OCCUPIED
14.	Sixty one	General Worker : Refuse Removal	15	OCCUPIED
15.	Seventy two	General Worker: Street Sweeper	15	OCCUPIED
16.	Ten	General Worker: Skip Patrol	15	OCCUPIED
17.	One	General Worker: PHC	15	OCCUPIED

HEAD:COMMUNITY FACILITIES

18.	One	Manager: Libraries	3	VACANT
19.	Three	Librarian	7	OCCUPIED
20.	Four	Assistant Librarian	8	OCCUPIED
21.	One	Administrative Clerk	8	OCCUPIED
22.	Eleven	Library Clerk	8	OCCUPIED
23.	One	Manager: Community Halls	3	VACANT
24.	Two	Administration Officer	6	OCCUPIED
25.	One	Caretaker/ Handyman	10	OCCUPIED
26.	Ten	General Workers	15 and 17	OCCUPIED

HEAD:PARKS

27.	One	Superintendent Horticulture	6	OCCUPIED
28.	One	Horticulturist	8	OCCUPIED
29.	One	Supervisor: Bush Cutting Mowing	7	OCCUPIED
30.	One	Team Leader: Bush Cutting and Mowing	12	OCCUPIED
31.	Ten	Team Leader: Tractor Driver	11	OCCUPIED
32.	Fifteen	General Worker: Bush Cutting and Mowing	15	OCCUPIED
33.	One	Supervisor : Horticulture	7	OCCUPIED
34.	Ten	Team Leader: Horticulture	11	OCCUPIED
35.	One	Team Leader: Pest Control	11	OCCUPIED
36.	One	Team Leader: Nursery	11	VACANT
37.	Ten	General Worker; Horticulture	15	OCCUPIED

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	Seven	General Worker: Pest Control	15	VACANT
38.	Seven	General Worker: Nursery	15	OCCUPIED
39.	One	Superintendent : Caretaking and Landscaping	6	OCCUPIED
40.	One	Supervisor: Tree Felling	7	OCCUPIED
41.	One	Supervisor : Landscaping	7	OCCUPIED
42.	One	Team Leader: Chainsaw Operator	11	VACANT
43.	One	Team Leader: Landscaping	11	OCCUPIED
44.	One	Team Leader: Handyman	11	OCCUPIED
45.	One	Team Leader: Graveyard: Landscaping	11	OCCUPIED
46.	Ten	General Worker: Chainsaw Operator	15	OCCUPIED
47.	Five	General Worker: Landscaping	15	OCCUPIED
48.	One	General Worker: Handyman Landscaping	15	OCCUPIED
49.	Eight	General Worker: Graveyard	15	12 X VACANT
50.	Two	Tractor and Bush Cutter	12	OCCUPIED
51.	Five	General Worker: Caretaking	15	OCCUPIED
52.	Two	Operator	10	OCCUPIED
53.	One	Secretary	8	OCCUPIED
54.	One	General Worker: Parks	15	OCCUPIED
55.	One	General Worker: Domestic	15	OCCUPIED
56.	One	Team Leader: Weeding	11	OCCUPIED
57.	One	Tem Leader	11	OCCUPIED
58.	One	Assistant Life Saver	15	OCCUPIED
59.	Four	General Worker: Weeding	15	OCCUPIED
60.	One	Team Leader: Waste Removal	10	OCCUPIED
61.	One	Team Leader	11	OCCUPIED
62.	One	Operator: Grade II	7	OCCUPIED
63.	One	Swimming Pool Caretaker	11	OCCUPIED
64.	One	Caretaker	10	OCCUPIED
65.	Three	Team Leader: Waste Removal	10	OCCUPIED
66.	Four	Tractor Driver	12	OCCUPIED
67.	One	Team Leader: Mower	11	OCCUPIED
68.	One	Manager: Environmental Health	3	OCCUPIED
69.	One	Driver: Operator Grade II	10	OCCUPIED
70.	Two	Operator: Grade 2	10	OCCUPIED
71.	One	Clerk	8	OCCUPIED
72.	One	Tractor Driver Grade II	12	OCCUPIED

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2017/2018				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	8	3	5	63%
4 -6	4	4	-	-
7 - 9	17	13	4	24%
10 - 12	59	57	2	3%
13 - 15	228	209	19	8%
16 - 18	-	-	-	-
19 - 20	-	-	-	-
Total	316	286	30	9%

PUBLIC SAFETY

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Head: Testing and Licensing	2	OCCUPIED
2.	One	Head: Security and Fleet Management	2	VACANT
3.	One	Head: Emergency Services and Disaster Management	2	OCCUPIED
4.	One	Head: Law Enforcement	2	OCCUPIED
5.	One	Administrative Assistant to the Head	8	OCCUPIED
HEAD: EMERGENCY SERVICES AND DISASTER MANAGEMENT				
6.	One	Chief Fire Officer	3	OCCUPIED
7.	One	Assistant Chief Fire Officer	4	VACANT
8.	One	Divisional Officer : Fire Prevention	5	OCCUPIED
9.	One	Divisional Officer: Operational and Maintenance	5	OCCUPIED
10.	Three	Training Officer	6	OCCUPIED
11.	One	Fire Prevention Officer	6	OCCUPIED
12.	Four	Station Officer (Incident Commander)	6	OCCUPIED
13.	Two	Fire Prevention Inspector	8	VACANT
14.	Six	Leading Fire Fighter	11	OCCUPIED
15.	Two	Control Room Supervisor	7	VACANT
16.	Four	Senior Fire Fighter	9	VACANT
17.	Twelve	Fire Fighter (Rescuers)	10	OCCUPIED
18.	Four	Senior Control Room Attendant	11	VACANT
19.	Four	Control Room Attendant	12	OCCUPIED
20.	One	General Worker; Fire Station	17	OCCUPIED
21.	One	Coordinator: Disaster Management	5	OCCUPIED
22.	One	Disaster Management Officer	6	OCCUPIED
23.	One	Community Liaison Officer	6	VACANT
HEAD: TESTING AND LICENSING				
24.	One	Administrative Assistant	9	OCCUPIED
25.	One	Chief Licensing Officer:	3	VACANT
26.	One	Management Representative VTS	3	VACANT
27.	One	Senior Examiner: VTS	6	OCCUPIED
28.	Two	Examiner : VTS	7	VACANT
29.	One	Clerk: VTS	8	OCCUPIED
30.	One	Pit Assistant	14	VACANT
31.	One	Management Representative : DLTS	3	VACANT
32.	One	ENATIS: Supervisor	7	VACANT
33.	One	Senior Examiner: DLTC	7	OCCUPIED
34.	Three	Examiner: Testing	8	OCCUPIED
35.	One	Clerk	8	OCCUPIED
HEAD: SECURITY AND FLEET MANAGEMENT				
36.	One	Management : Physical Security	3	VACANT
37.	One	Manager: Fleet Administration	3	VACANT
38.	One	Administration Officer (Fleet)	6	OCCUPIED

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39.	Four	Team Leader: Shift Operations	11	OCCUPIED
40.	Four	Security Officers	14	OCCUPIED
HEAD: LAW ENFORCEMENT				
41.	One	Chief Traffic Officer	3	OCCUPIED
42.	One	Assistant Chief Traffic Officer	7	VACANT
43.	One	Senior Superintendent	7	VACANT
44.	Three	Superintendent : Law Enforcement	6	OCCUPIED
45.	Nine	Assistant Superintendent	8	OCCUPIED
46.	Six	Senior Traffic Officer	8	VACANT
47.	Forty	Traffic Officer	8	OCCUPIED
48.	Five	Traffic Warden	17	VACANT
49.	One	Superintendent: Administration	6	OCCUPIED
50.	One	Senior Admin Clerk	7	VACANT
51.	One	Admin Clerk	8	VACANT
52.	One	Court Officer	6	VACANT
53.	One	Superintendent : Logistics	6	OCCUPIED
54.	One	Supervisor	7	VACANT
55.	ONE	Accident Officer	6	VACANT
56.	One	Team Leader: Logistics	11	OCCUPIED
57.	Two	General Worker: Logistics	17	OCCUPIED
58.	One	Manager: By – Law Enforcement	3	VACANT
59.	One	Admin Assistant to the Head	9	OCCUPIED
60.	One	Superintendent Signage and Special Projects	6	VACANT
61.	One	Superintendent; Street Trading Waste Management	6	VACANT
62.	One	Inspector : Signage and Special Project	9	VACANT
63.	One	Inspector Stores	9	VACANT
64.	One	Inspector : Street Trading and Waste Management	9	VACANT
65.	One	By – Law Management Officer	6	VACANT
66.	One	Driver By – Law Management Officer	6	VACANT
67.	One	Secretary	8	OCCUPIED

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2017/2018				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	11	5	6	55%
4 -6	20	12	8	40%
7 – 9	82	59	23	28%
10 – 12	31	27	4	13%
13 – 15	5	4	1	20%
16 – 18	13	3	10	77%
19 – 20	-	-	-	-
Total	162	110	52	32%

PLANNING AND DEVELOPMENT

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	STATUS OF THE POSITION
1.	One	Head: Sustainable Human Settlement	2	OCCUPIED
2.	One	Head: Local Economic Development	2	OCCUPIED
3.	One	Head: Development Planning	2	VACANT
4.	One	Administrative Assistant to head Sustainable Settlement	9	OCCUPIED
5.	One	Secretary	8	OCCUPIED
HEAD: SUSTAINABLE DEVELOPMENT				
6.	One	Manager: Housing Development Facilitation	3	OCCUPIED
7.	One	Housing Admin Coordinator	5	VACANT
8.	One	Housing Officer	5	VACANT
9.	One	Housing Project Officer	5	VACANT
10.	One	Manager Property Management	3	VACANT
11.	One	Rental Contract Officer	5	VACANT
12.	One	Valuation Officer	5	VACANT
HEAD: LOCAL AND ECONOMIC DEVELOPMENT				
13.	One	Manager: Tourism and Marketing Officer	3	VACANT
14.	One	Tourism and Marketing Officer	5	OCCUPIED
15.	One	Sport, Arts and Culture Officer	5	OCCUPIED
16.	One	Manager: Capacity Building and Community Development	3	OCCUPIED
17.	One	SMME Officer	5	OCCUPIED
18.	One	Community Project Officer	5	OCCUPIED
19.	One	Rural and Agricultural Officer	5	OCCUPIED
HEAD: DEVELOPMENT PLANNING				
20.	One	Manager : Development Planning and Control	3	OCCUPIED
21.	One	Town Planner	6	2 X OCCUPIED
22.	One	Transportation Planner	5	OCCUPIED
23.	One	Assistant Town Planner	7	VACANT
24.		Assistant Transportation Planner	7	VACANT
25.	One	Chief Building Control Officer	7	VACANT
26.	Four	Building Inspector	8	OCCUPIED
27.	Two	Front Desk Clerk	8	OCCUPIED
28.		Manager: Environmental Management	3	OCCUPIED
29.	One	Environmental Management Officer	5	VACANT
30.	One	Manager: Geographical Information System	3	VACANT
31.	One	Geographic Information System Officer	5	VACANT

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2016/2017				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	10	6	4	40%
4 -6	14	8	6	43%
7 - 9	11	8	3	27%
10 - 12	-	-	-	-
13 - 15	-	-	-	-
16 - 18	-	-	-	-
19 - 20	-	-	-	-
Total	35	19	16	46%

INFRASTRUCTURE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
1.	One	Head: Water and Sanitation and PMU	2	OCCUPIED
2.	ONE	Secretary	8	OCCUPIED
3.	One	Head: Roads and Storm Water	2	VACANT
4.	One	Head: Mechanical and Civic Building	2	OCCUPIED
5.	One	Head: Electrical	2	VACANT
6.	One	EPWP Manager	3	VACANT
7.	One	Admin Officer	6	VACANT
8.	One	EPWP Technician	5	VACANT
9.	One	EPWP: Data Capturer	9	VACANT
10.	One	EPWP: Coordinator	5	VACANT
11.	One	EPWP: Coordinator Admin	5	VACANT
12.	One	EPWP: Coordinator Logistics	5	VACANT
13.	One	EPWP: Superintendent	6	VACANT
14.	Four	Team Leader: EPWP	11	VACANT
15.	Five hundred	General Workers : EPWP	17	VACANT
HEAD: WATER AND SANITATION AND PMU				
16.	One	Water Sanitation Technician	05	VACANT
17.	One	Technical Officer: Sewer and Sanitation	6	VACANT
18.	One	Manager: Water and Sanitation	3	OCCUPIED
19.	One	Laboratory Technician	8	OCCUPIED
20.	One	Laboratory Assistant	9	VACANT
21.	Two	Superintendent : Water	6	2 X OCCUPIED
22.	One	Foreman/ Artisan Carpenter	9	VACANT
23.	Two	Artisan Plumbers	9	OCCUPIED
24.	Two	Team Leaders	11	3 X OCCUPIED
25.	Six	General Workers: Water	15	44 X OCCUPIED
26.	One	Superintendent : Sanitation Pump station	9	VACANT
27.	One	Foreman	7	VACANT
28.	Two	Fitter and Turner	9	VACANT
29.	Two	Artisan Aid; Sewer	12	VACANT
30.	Two	Team Leader; Pump Sewer Maintenance	11	VACANT
31.	Three	Team Leader; Cleaning Blockages	11	OCCUPIED
32.	Two	Plant Operator	11	VACANT
33.	Two	Assistant Plant Operator	12	VACANT
34.	One	Superintendent : Sanitation	6	2 X OCCUPIED
35.	One	Foreman	7	VACANT
36.	Two	Plant Operators	10	OCCUPIED
37.	Two	Assistant Operator	11	VACANT
38.	One	Team Leaders	11	OCCUPIED
39.	One	Superintendent : Ottoshoop	6	VACANT
40.	Two	Team Leaders	11	OCCUPIED
41.	Twenty	General Workers: Pumps Station	15	VACANT
42.	Seven	General Workers: Cleaning Blockages	15	2 X OCCUPIED

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43.	One	General Workers: Ottoshoop	15	OCCUPIED
44.	One	Manager : PMU	3	OCCUPIED
45.	One	Technician PMU: Roads	5	VACANT
46.	One	Technician : Water	5	VACANT
47.	One	Technician PMU	8	VACANT
48.	One	Administrator : PMU		OCCUPIED
HEAD: ROADS AND STORM WATER				
49.	One	Manager : Roads and Storm water	3	OCCUPIED
50.	One	Superintendent: Roads and Storm Water Maintenance	6	VACANT
51.	One	Overseer	7	4 (2 X OCCUPIED) 2 X VACANT
52.	One	Artisan Aid	12	VACANT
53.	One	Operator: Roads and Storm Water Maintenance	10	7 X OCCUPIED
54.	One	Team Leaders	11	OCCUPIED
55.	One	Overseer : Technician Support for Construction and Maintenance	7	VACANT
56.	One	Artisan Aid	12	OCCUPIED
57.	One	Artisan : Brick Layer: Bridges and Culverts	9	VACANT
58.	Two	Operators: Construction and Maintenance	10	7 X OCCUPIED
59.	One	General Worker : Construction and Maintenance	15	46 X OCCUPIED
HEAD: MECHANICAL, CIVIC BUILDING				
60.	One	Manager: Civic Building	3	VACANT
61.	One	Superintendent: Civic Building	6	OCCUPIED
62.	Six	Artisan : Civic Building	9	VACANT
63.	Six	Team Leader: Civic Building	11	OCCUPIED
64.	One	Manager: Mechanical	3	VACANT
65.	One	Technical Officer: Mechanical	5	OCCUPIED
66.	One	Superintendent : Mechanic	6	OCCUPIED
67.	One	Foreman: Mechanic	7	VACANT
68.	One	Artisan; Mechanic	9	2 X OCCUPIED
69.	One	Artisan Aid: Mechanic	12	VACANT
70.	ONE	Team Leader: Mechanic	11	OCCUPIED
71.	One	Admin Clerk: Mechanic	8	VACANT
72.	Seven	General Worker: Mechanic	15	3 X OCCUPIED
73.	One	Administrative Officer	6	VACANT
74.	One	Administrative Assistant	9	VACANT
HEAD: ELECTRICITY				
75.	One	Manager: Electrical	3	VACANT
76.	One	Superintendent : Public Lighting	6	VACANT
77.	Two	Electrician	9	VACANT
78.	Two	Artisan Aid	12	5 X OCCUPIED
79.	Four	General Worker: Electrical	15	7 X OCCUPIED
80.	one	Superintendent : Civic Building and Traffic Lights	6	VACANT
81.	Two	Electrician	9	VACANT
82.	Two	Artisan Aids	12	VACANT
83.	Four	General Worker	15	VACANT
84.	One	Superintendent: Electrical Reticulation	6	VACANT

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85.	Three	Electrician	9	VACANT
86.	Three	Artisan Aid	12	VACANT
87.	Six	General Workers	15	VACANT
88.		General Workers	17	Occupied

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2017/2018				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	11	5	6	55%
4 -6	23	7	16	70%
7 - 9	38	7	28	74%
10 - 12	68	29	9	9%
13 - 15	158	103	3	2%
16 - 18	502	1	1	0%
19 - 20	-	-	-	-
Total	800	195	605	76%

FINANCE

NO	NO OF POSITIONS IN THE OFFICE	NAME OF POSITION NEW STRUCTURE	SALARY LEVEL	POSITION STATUS
1.	One	Head: Financial Planning and Reporting	2	OCCUPIED
2.	One	Head: Expenditure	2	VACANT
3.	One	Head: Supply Chain Management	2	VACANT
4.	One	Head: Income	2	OCCUPIED
5.	One	Head: Data	2	VACANT
6.	One	Chief Accountant Budget Officer	3	VACANT
7.	One	Chief Accountant Expenditure	3	VACANT
8.	One	Chief Accountant SCM	3	VACANT
9.	One	Chief Accountant Income	3	VACANT
10.	One	Chief Accountant Income	3	VACANT
11.	One	Chief Accountant Data	3	VACANT
		HEAD: FINANCIAL PLANNING AND REPORTING		
		CHIEF ACCOUNTANT : FINANCIAL PLANNING AND REPORTING		
12.	One	Accountant: Budget	5	
13.	One	Accountant: Reporting	5	OCCUPIED
14.	One	Accountant: Financial Accountant	5	VACANT
15.	One	Finance Officer	6	VACANT
16.	One	Finance Officer: In YR Reporting	6	VACANT
17.	One	Finance Officer: AFS/ Annual Report	6	VACANT
18.	One	Financial Officer: Assets Management / Cost Accountant	6	VACANT
19.	One	Financial Officer: Asset Management / Cost Accountant	6	VACANT
20.	One	Financial Officer: Risk Management Insurance	6	VACANT
21.	One	Financial Clerk	8	VACANT
22.	One	Financial Clerk: Assets Management	8	OCCUPIED
23.	One	Financial Clerk: Costing	8	OCCUPIED
		HEAD: EXPENDITURE		
		CHIEF ACCOUNTANT EXPENDITURE		
24.	One	Accountant : Creditors	5	VACANT
25.	One	Financial Officer: Orders	6	VACANT
26.	One	Accountant : Payroll	5	VACANT
27.	One	Financial Officer: VAT/ Records Management	6	VACANT
28.	One	Financial Officer: Order	6	VACANT
29.	One	Financial Officer: Salaries	6	OCCUPIED
30.	One	Records Clerk; Supporting Document	8	VACANT
31.	One	Records Clerks: Documents Management	8	VACANT
32.	One	Financial Clerk: Direct / Sundry / S & T Payment	8	OCCUPIED
33.	One	Financial Clerk: Salaries Admin	8	OCCUPIED
		HEAD: SUPPLY CHAIN MANAGEMENT		
		CHIEF ACCOUNTANT SUPPLY CHAIN MANAGEMENT		

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34.	One	Accountant: Demand Management	5	VACANT
35.	One	Accountant: Acquisition Management	5	OCCUPIED
36.	ONE	Financial Clerk	8	OCCUPIED
37.	One	Demand Officer	6	VACANT
38.	One	Financial Clerk : BID SPES COMM Secretariat	8	VACANT
39.	One	Procurement Clerks: Direct Purchasing	8	VACANT
40.	One	Procurement Officer: Quotation	6	VACANT
41.	One	Procurement Officer: Contract Management	6	VACANT
42.	Two	Financial Clerk: Logistics / Disposal Management	8	VACANT
43.	One	Petrol Attendant	14	OCCUPIED
44.	One	Messenger: Driver	14	OCCUPIED
HEAD: INCOME				
CHIEF ACCOUNTANT : INCOME MANAGEMENT				
45.	One	Accountant : Debtors Services	5	VACANT
46.	One	Accountant : Valuation Roll Rates Clearance and Receipting	5	VACANT
CHIEF ACCOUNTANT REVENUE PROTECTION				
47.	One	Accountant : Revenue Protection/ FBS	5	VACANT
ACCOUNTANT DEBTOR SERVICES				
48.	One	Financial Officer: Customer Services	6	VACANT
49.	Three	Financial Clerk: Enquiries	8	OCCUPIED
50.	One	Financial Officer: Billing / Meter Reading	6	OCCUPIED
51.	One	Financial Officer: Sundry Debtors/ Housing Halls / Land sales	6	VACANT
52.	Four	Financial Clerk: Meter Reading	8	OCCUPIED
53.	Four	Financial Clerk: Billing / Exception	8	VACANT
ACCOUNTANT : VALUATION ROLL RATES CLEARANCE & RECEIPTING				
54.	One	Financial Officer: New Accounts	6	VACANT
55.	One	Financial Officer: On – line Receipting	6	VACANT
56.	One	Financial Officer: Receipting	6	OCCUPIED
57.	One	Financial Officer: Receipting (Traffic)	6	VACANT
58.	One	Financial Officer: Ottoshoop	6	OCCUPIED
59.	Four	Financial Clerk: Cashier	8	OCCUPIED
60.	Four	Financial Clerk : Cashier; Traffic	8	OCCUPIED
61.	One	Financial Officer: Free Basic Services	6	VACANT
62.	Three	Financial Clerk: Credit Control	8	VACANT
63.	Two	Financial Officer: Debt Collection	6	OCCUPIED
64.	Two	Financial Clerk: Indigent Registration	8	OCCUPIED
HEAD: DATA				
65.	Two	Financial Officer: Data	6	OCCUPIED
66.	One	Secretary	8	OCCUPIED
67.	One	BID Officer	6	OCCUPIED

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

2017/2018				
Job Levels	Total posts per approved Organogram	Positions Occupied	Vacancies according to per approved organogram	Vacancies %
0 -3	11	2	9	82%
4 -6	37	9	25	68%
7 - 9	37	11	8	22%
10 - 12	-	-	-	-
13 - 15	2	2	-	-
16 - 18	-	-	-	-
19 - 20	-	-	-	-
Total	87	24	42	48%

COMMENT ON VACANCIES AND TURNOVER:

The municipal human resource support had advertised posts and critical positions have been filled.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Workforce decisions are taken at management forums which compose of Department's Directors, LLF members and council.

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Code of Conduct for employees	N/A	N/A	Delay to conduct a policy workshop
2	Delegations, Authorisation & Responsibility			
3	HIV/Aids			
4	Human Resource and Development			
5	Job Evaluation			
6	Leave			
7	Occupational Health and Safety			
8	Official Housing			
9	Bereavement			
10	Overtime			
11	Organisational Rights			
12	Performance Management and Development			
13	Recruitment, Selection and Appointments			
14	Remuneration			
15	Sexual Harassment			
16	Smoking			
17	Training and Development			
18	Incapacity due to ill Health			
19	Attendance and Punctuality			
20	Employment Equity			
21	Relocation			
22	Employees under the influence of Intoxicating substances			

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
23	Placement			
24	Private Work and Declaration of Interest			
25	Placement			
26	Appointment to Acting Positions			
27	Engagement of Temporary Staff			
28	Internship			
29	Other:			

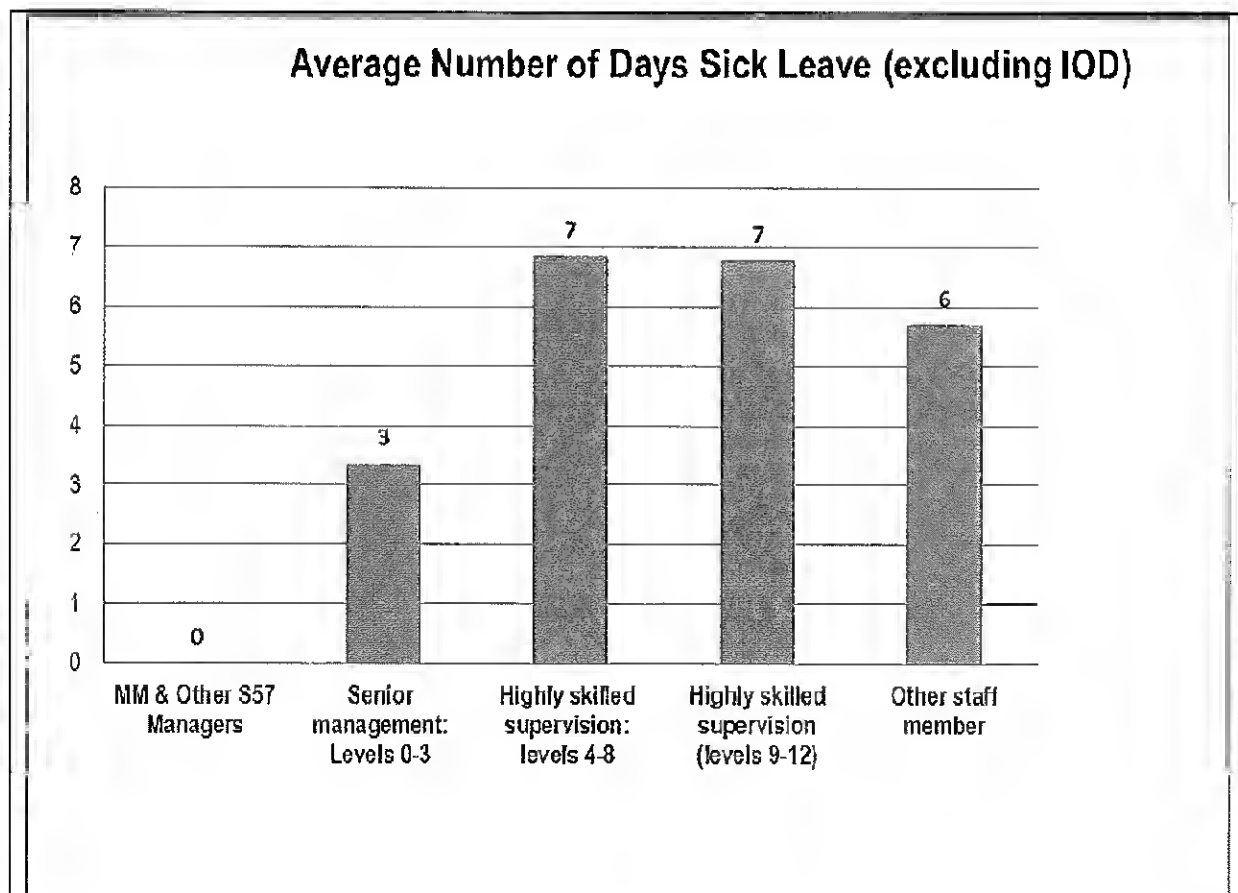
COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The above mention workforce policies are not reviewed by council during the 2017/18 financial years.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	0	0	0	0	0
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	0	0	0	0	0

Number of days and Cost of Sick Leave (excluding injuries on duty)					
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees
	Days	%	No.	No.	Days
MM & Other S57 Managers	-	-	-	-	0
Senior management: Levels 0-3	46	1%	21	21	2.19
Highly skilled supervision: levels 4-8	1164	68%	197	197	5.91
Highly skilled supervision (levels 9-12)	750	10%	143	143	5.24
Other staff member	1778	25%	335	335	5.31
Total	4073	28%	282	673	6.05



COMMENT ON INJURY AND SICK LEAVE:

The municipality had no report for leave taken under injury on duty; however a total number of 282 were reported under sick leave taken by the municipal officials.

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Fleet officer	Illegal occupation of site	19-Jul-17	Case still on	Pending
Head Housing	Insubordination	03-Oct-17	Finalised	Retired
Manager Housing	Insubordination	19-Mar-17	Case still on	Pending

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
None	None	None	None

4.4 PERFORMANCE REWARDS

MSA 2000 S51(d) requires that performance plans, on which rewards are based should be aligned with the IDP (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards.

The performance assessments were not conducted during the year under review hence there are no performance awards.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The municipality develops a workplace skill plan on a yearly basis which highlights the type of trainings that needs to be conducted or offered by the municipality as per the WSP report. Those trainings help the employees to implement and develop their level of competency and to improve service delivery.

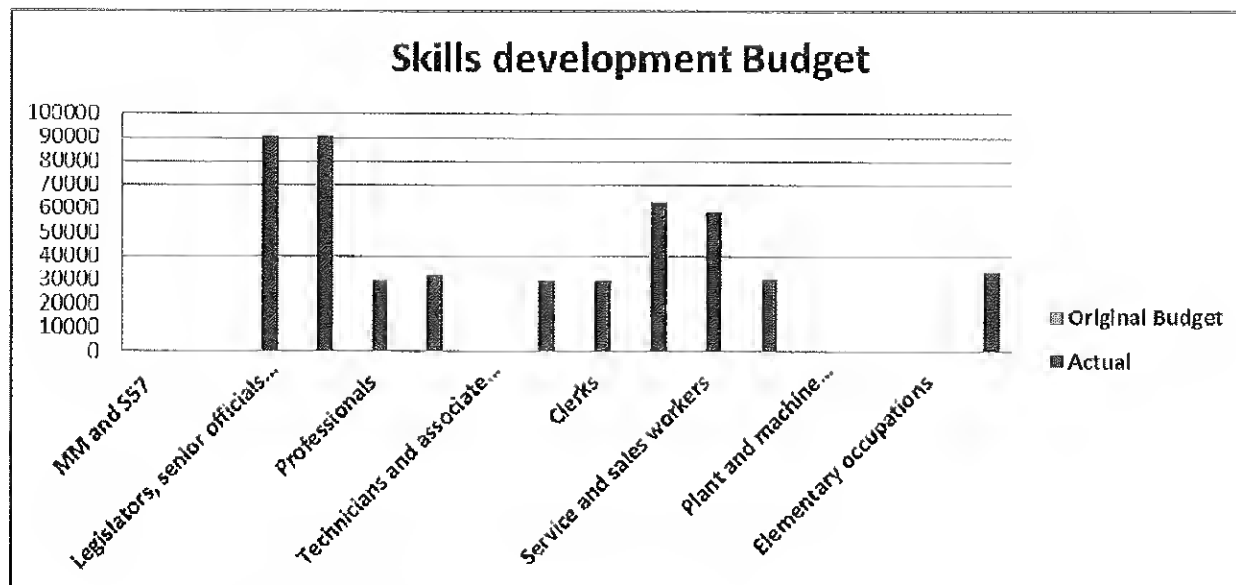
4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2018	Number of skilled employees required and actual as at 30 June 2017											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			Actual: End of 2016/17	Actual: End of 2017/18	2017/18 Target	Actual: End of 2016/17	Actual: End of 2017/18	2017/18 Target	Actual: End of 2016/17	Actual: End of 2017/18	2017/18 Target	Actual: End of 2016/17	Actual: End of 2017/18	2017/18 Target
MM and s57	Female	2	-	1	1	-	-	1	-	-	-	-	1	1
	Male	3	1	3	3	-	2	2	-	-	-	1	5	3
Councillors, senior officials(Heads) and managers	Female				15	23	3	5	-	-	-	23	3	20
	Male		-		9	46	9	9	-	-	-	46	9	18
Technicians and associate professionals*	Female		-			10	1	5	-	-	-	10	1	5
	Male		1			25	5	5	-	-	-	25	5	5
Clerks/ officers	Female				-	13	11	35	-	-	-	13	9	35
	Male					1	5	20				1	3	20
Elementary	Female						17	50					17	50
	Male			13	13		55	65					54	65
Sub total	Female			1	16	46	32	96				46	31	111
	Male			16	25	72	76	101				72	75	111
Total				17	41	118	108	197	0	0	0	118	106	222

MAHIKENG LOCAL MUNICIPALITY ANNUAL REPORT
2017-2018

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	1	1	0
<i>Chief financial officer</i>	0	0	0	0	0	0
<i>Senior managers</i>	3	0	3	3	3	0
<i>Any other financial officials</i>	0	0	0	0	0	0
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	0	0	0	0
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	5	0	4	4	4	

Skills Development Expenditure												R'000	
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development									Total	
			Learnerships		Skills programmes & other short courses		Other forms of training			Actual	Original Budget		Actual
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget				
MM and S57	Female	1	48000	48000								48000	
	Male	3	144000	144000						200000	144000		
Legislators, senior officials and managers	Female	3			60000	40600				60000		40600	
	Male	9			65000	58500				65000		58500	
Professionals	Female												
	Male												
Technicians and associate professionals	Female	1			12000	10602				12000		10602	
	Male	5			40000	37500				40000		37500	
Clerks	Female	11			200000	160162				200000		160162	
	Male	5			30000	23002				30000		23002	
Service and sales workers	Female												
	Male												
Plant and machine operators and assemblers	Female												
	Male	13	234000	234000									
Elementary occupations	Female	17			150000	65500				150000		65500	
	Male	41			250000	164000				250000		164000	
Sub total	Female	32										324864	
	Male	76										427002	



COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

All newly appointed senior managers are currently registered for the minimum competency level regulation 14(4) (e). Other expenditure are for skills programme to enhance performance in different directorates.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Workforce Expenditure within the Mahikeng Local Municipality is compliant with all legislative requirements governing the workplace together with collective agreement and policies. This is done through management of the recruitment process, overtime worked and capacitation of employee.

Equal or proper distribution of work to avoid overtime abuse and attending to the factors that impact negatively on staff morale and ensuring that the municipality have good productivity/performance through training and development (Value for money) and filling budgeted position

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None	None	None	None	None

CHAPTER 5 FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 - Attached Annual Financial Statements as has been audited by the Auditor General of South Africa by November 2018.



Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

General Information

Legal form of entity and governing legislation	Local Municipality Municipal Finance Management Act
Nature of business and principal activities	Provision of municipal services in terms of Chapter 7 of the Constitution of the Republic of South Africa, Act 108 of 1996 Municipal System Act No. 32 of 2000
Mayoral committee Councillors	Cllr KB Diakanyo (Executive Mayor) Cllr P Nebe (Speaker) Cllr Segoe: MMC (Infrastructure) Cllr M Makolomakwa: MMC (Planning and Development) Cllr B Ngoben: MMC (Finance) Cllr N Monnapula: MMC (Corporate Services) Cllr K Phetha: MMC (Public Safety) Cllr SJ Van Rooyen: MMC (Community Services) Cllr T Motshabi (Local Economic Development) Cllr S Molefe: (MPAC Chairperson) Cllr T Makolomakwa: (Rules Committee Chairperson) Cllr GA Kwadibane: (Single Whip)
Chief Finance Officer (CFO)	Mr IJ Tswaile (Acting)
Accounting Officer	MR IT Mokwena
Registered office	Cnr University Drive & Hector Peterson Road Mmabatho 2735
Business address	Cnr University Drive & Hector Peterson Road Mmabatho 2735
Postal address	Private Bag X63 Mmabatho 2735
Bankers	Standard Bank of South Africa Business Centre, Nelson Mandela Drive, Mahikeng, 2745
Auditors	Auditor General of South Africa

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Index

The reports and statements set out below comprise the financial statements presented to the provincial legislature:

Index	Page
Accounting Officer's Responsibilities and Approval	
Statement of Financial Position	
Statement of Financial Performance	
Statement of Changes in Net Assets	
Cash Flow Statement	
Statement of Comparison of Budget and Actual Amounts	
Accounting Policies	
Notes to the Financial Statements	

Abbreviations

DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)

Maitland Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the financial statements and was given unrestricted access to all financial records and related data.

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June, 2019 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The accounting officer certifies that the salaries, allowances and benefits of councillors as disclosed in Note 26 of these financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act (Act 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with this Act.

Although the accounting officer are primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors.

The financial statements set out on pages 4 to 63, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August, 2018 and were signed on its behalf by:


Mr R.A. Morris
Acting Municipal Manager

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Statement of Financial Position as at 30 June, 2018

Figures in Rand	Note(s)	2018	2017	
Assets				
Current Assets				
Inventories	7	64,657,033	68,407,052	☆
Receivables	8	10,915,630	7,400,895	
Receivables from non-exchange transactions	9	32,575,439	52,829,664	☆
Consumer debtors from exchange transactions	10	234,557,455	146,995,327	☆
Cash and cash equivalents	11	10,331,939	1,084,573	
		353,037,496	276,717,511	
Non-Current Assets				
Investment property	3	171,389,100	159,021,500	☆
Property, plant and equipment	4	1,254,250,077	1,265,668,401	☆
Intangible assets	5	1,379,647	1,270,503	☆
		1,427,018,824	1,425,960,404	
Total Assets		1,780,056,320	1,702,677,915	
Liabilities				
Current Liabilities				
Financial liabilities - Loans	14	6,367,577	5,626,343	
Finance lease obligation	12	33,811,050	45,605,078	
Payables	16	608,603,004	411,820,492	☆
VAT payable	17	21,908,116	22,273,290	☆
Consumer deposits	18	11,228,654	11,178,557	
Employee benefit obligation	6	2,000,000	1,335,000	☆
Unspent conditional grants and receipts	13	6,305,321	8,062,712	
Cash and cash equivalents	11	34,487,402	16,000,814	
		724,711,124	521,702,284	
Non-Current Liabilities				
Financial liabilities - Loans	14	11,004,347	14,548,398	☆
Finance lease obligation	12	-	18,518,144	
Employee benefit obligation	6	257,930,000	221,521,000	☆
Provisions	15	90,880,629	89,420,030	☆
		359,814,976	344,005,572	
Total Liabilities		1,084,526,100	865,707,856	
Net Assets		695,530,220	836,970,059	
Accumulated surplus		695,530,220	836,970,059	☆

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Statement of Financial Performance

Figures in Rand	Note(s)	2018	2017
Revenue			
Revenue from exchange transactions			
Service charges	20	233,242,797	169,585,407 ★
Rental of facilities and equipment	21	6,260,653	5,898,784
Interest received (trading)		66,022,942	73,157,225
Licences and permits		4,046,764	3,049,099
Fees earned		1,686,131	1,717,743
Donation received		968,775	-
Other income		2,427,350	2,741,808
Interest received - investment	23	1,940,909	1,051,529
Total revenue from exchange transactions		316,596,321	257,201,595
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	24	269,838,804	183,182,552 (
Transfer revenue			
Government grants & subsidies	25	286,021,974	280,020,536
Fines, Penalties and Forfeits		3,219,241	3,651,808
Total revenue from non-exchange transactions		559,080,019	466,854,896
Total revenue	19	875,676,340	724,056,491
Expenditure			
Employee related costs	26	(275,431,932)	(288,055,553) ★
Remuneration of councillors	27	(26,590,178)	(18,812,566)
Depreciation and amortisation	28	(71,595,775)	(80,368,382) ★
Impairment loss/ Reversal of impairments		(83,440,312)	(16,660)
Finance costs	29	(9,443,536)	(23,360,728) ★
Lease rentals on operating lease		(4,140,686)	(28,377,379)
Debt Impairment	30	(152,308,468)	(84,770,408) ★
Repairs and maintenance		(43,363,281)	(17,380,787) ★
Bulk purchases	31	(89,816,842)	(85,270,454)
Contracted services	32	(30,491,695)	(24,671,563) ★
General Expenses	33	(110,849,388)	(111,113,498) ★
Total expenditure		(897,472,073)	(742,197,958)
Operating deficit		(21,795,733)	(18,141,467)
Loss on disposal of assets and liabilities		-	(98,894)
Fair value adjustments		12,387,600	11,206,580 ★
		12,367,600	11,107,686
Deficit for the year		(9,428,133)	(7,033,781)

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Balance at 1 July, 2016	851,455,769	851,455,769 ☆
Changes in net assets		
Prior period error	(7,451,929)	(7,451,929)
Net income (losses) recognised directly in net assets	(7,451,929)	(7,451,929)
Surplus for the year	(7,033,781)	(7,033,781)
Total recognised income and expenses for the year	(14,485,710)	(14,485,710)
Total changes	(14,485,710)	(14,485,710)
Balance at July 1, 2017 restated*	836,970,059	836,970,059 ☆
Changes in net assets		
Prior period error	(132,011,706)	(132,011,706)
Net income (losses) recognised directly in net assets	(132,011,706)	(132,011,706)
Surplus for the year	(9,428,133)	(9,428,133)
Total recognised income and expenses for the year	(141,439,839)	(141,439,839)
Total changes	(141,439,839)	(141,439,839)
Balance at 30 June, 2018	695,530,220	695,530,220
Note(s)		

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Cash Flow Statement

Figures in Rand	Note(s)	2018	2017
Cash flows from operating activities			
Receipts			
Sale of goods and services		22,155,336	106,894,964
Grants		284,264,583	285,966,519
Interest income		1,940,909	1,051,529
Other receipts		330,109,512	251,526,813
		638,470,340	645,439,825
Payments			
Employee costs		(264,948,110)	(329,029,119)
Suppliers		(148,644,593)	(216,447,608)
Finance costs		(9,443,536)	(23,360,728)
		(423,036,239)	(568,837,455)
Net cash flows from operating activities	34	215,434,101	76,602,370
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(95,705,676)	(128,121,597)
Loss on disposal of assets	3	2,684,466	3,741,009
Net cash flows from investing activities		(93,021,210)	(124,380,588)
Cash flows from financing activities			
Repayment of financial liabilities - loans		(2,802,817)	(2,523,656)
Finance lease payments		(30,310,170)	(42,467,064)
Other cash item		(98,539,126)	91,821,723
Net cash flows from financing activities		(131,652,113)	46,600,474
Net increase/(decrease) in cash and cash equivalents		(9,239,222)	(1,177,744)
Cash and cash equivalents at the beginning of the year		(14,916,241)	(13,738,497)
Cash and cash equivalents at the end of the year	11	(24,155,463)	(14,916,241)

The accounting policies on pages 85 to 108 and the notes on pages 109 to 153 form an integral part of the financial

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Service charges	196,876,000	49,420,000	246,296,000	233,242,797	(13,053,203)	47.1
Rental of facilities and equipment	10,320,000	-	10,320,000	6,260,653	(4,059,347)	47.1
Interest received (External investments and Outstanding debtors)	67,686,000	1,144,000	68,830,000	67,963,851	(866,149)	47.5
Licences and permits	3,694,000	210,000	3,904,000	4,046,764	142,764	
Other revenue	5,119,000	294,000	5,413,000	1,686,131	(3,726,869)	47.2
Donation received	-	-	-	968,775	968,775	47.3
Other income	-	-	-	2,427,350	2,427,350	47.4
Total revenue from exchange transactions	283,695,000	51,068,000	334,763,000	316,596,321	(18,166,679)	

Revenue from non-exchange transactions

Taxation revenue

Property rates	216,981,000	67,869,000	284,850,000	269,838,804	(15,011,196)	
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Transfer revenue

Government grants & subsidies	299,633,000	(9,074,000)	290,559,000	286,021,974	(4,537,026)	
Fines, Penalties and Forfeits	9,437,000	35,000	9,472,000	3,219,241	(6,252,759)	47.6

Total revenue from non-exchange transactions	526,051,000	58,830,000	584,881,000	559,080,019	(25,800,981)	
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Total revenue	809,746,000	109,898,000	919,644,000	875,676,340	(43,967,660)	
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Expenditure

Personnel	(249,345,000)	-	(249,345,000)	(275,431,932)	(26,086,932)	47.7
Remuneration of councillors	(22,591,000)	(2,457,000)	(25,048,000)	(26,590,178)	(1,542,178)	
Depreciation and amortisation	(97,588,000)	-	(97,588,000)	(71,595,775)	25,992,225	47.8
Impairment loss/ Reversal of impairments	-	-	-	(83,440,312)	(83,440,312)	47.9
Finance costs	(2,507,000)	(1,124,000)	(3,631,000)	(9,443,536)	(5,812,536)	47.10
Lease rentals on operating lease	-	-	-	(4,140,888)	(4,140,686)	47.11
Debt Impairment	(136,357,000)	-	(136,357,000)	(152,308,468)	(15,951,468)	47.12
Repairs and maintenance	(22,100,000)	(9,040,000)	(31,140,000)	(43,363,281)	(12,223,281)	47.13
Bulk purchases	(77,558,000)	-	(77,558,000)	(89,816,842)	(12,258,842)	47.14
Contracted services	(44,759,000)	(38,954,000)	(83,713,000)	(30,491,695)	53,221,305	47.15
Transfers and subsidies	-	(1,926,000)	(1,926,000)	-	1,926,000	47.16
General Expenses	(94,068,000)	(36,806,000)	(130,874,000)	(110,849,368)	20,024,632	47.17
Total expenditure	(746,873,000)	(90,307,000)	(837,180,000)	(897,472,073)	(60,292,073)	
Operating deficit	62,873,000	19,591,000	82,464,000	(21,795,733)	(104,259,733)	
Fair value adjustments	9,671,000	-	9,671,000	12,367,600	2,696,600	
Deficit before taxation	72,544,000	19,591,000	92,135,000	(9,428,133)	(101,563,133)	

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	72,544,000	19,591,000	92,135,000	(9,428,133)	(101,563,133)	

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these financial statements, are disclosed below.

1.1 Presentation currency

These financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Going concern assumption

These financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include:

Allowance for slow moving, damaged and obsolete stock

An allowance / provision to write down stock to the lower of cost or net realisable value is made. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the statement of financial performance.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, together with economic factors such as inflation interest.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 15 - Provisions.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Useful lives

The useful lives of assets are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation where appropriate. The estimation of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their useful lives, and what their conditions will be at that time. It is a subjective estimate based on management's experience.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 6.

Allowance for doubtful debts

The municipality assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated based on an assessment of the extent to which trade receivables have defaulted on payments already due, and an assessment of their ability to make payments based on the history of payments made for municipal services over the last twelve months. This was performed per significant trade receivables first and then for all classes of trade receivables.

1.4 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is held at fair value.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.4 Investment property (continued)

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date whilst provisional amounts reflect the amounts determined using a reasonable basis such as the valuation roll.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

The fair value of investment property under construction is not determinable, it is measured at cost until the earlier of the date it becomes determinable or construction is complete.

1.5 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses or fair value where assets have been acquired by grant or donation. Similarly, land is not depreciated as it is deemed to have an indefinite life.

Where items of Property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified.

Subsequent expenditure relating to Property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery capabilities of the assets are enhanced in excess of the originally assessed standard of performance. If the expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance, and is expensed.

The municipality maintains and acquires assets to provide a social service to the community, with no intention of disposing of the assets for any economic gain, and thus no residual values are determined other than for motor vehicles.

The gain or loss arising from the disposal or retirement of an item of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying value, and is recognised in the Statement of Financial Performance.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Assets held under finance leases are depreciated over their useful lives on the same basis as owned assets or, where appropriate, the terms of the relevant lease, and the depreciation are recognised in the Statement of Financial Performance.

Mahikeng Local Municipality

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Accounting Policies

1.5 Property, plant and equipment (continued)

Assets under construction are carried at cost. Depreciation of an asset commences when the asset is ready for its intended use.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	5 - 100
Furniture and fixtures	Straight line	7
Motor vehicles	Straight line	7
Office equipment	Straight line	7
IT equipment	Straight line	5

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment charged to the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying value does not exceed the carrying value that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use or disposal of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.6 Site restoration and dismantling cost

Where the municipality has an obligation to dismantle, remove and restore items of property, plant and equipment, such obligations are referred to as 'decommissioning, restoration and similar liabilities'. These costs include the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. The costs are capitalised to the cost of the relevant assets.

If the related asset is measured using the cost model:

- subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.7 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.7 Intangible assets (continued)

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An Intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an Intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Licenses and franchises	10 years
Computer software, other	10 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.8 Conditional Grants

Revenue from conditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality the amount of the revenue can be measured reliably and to the extent that there has been compliance with any restrictions associated with the grant.

Interest earned on investments is treated in accordance with grant conditions. If interest is payable to the grantor, it is recognised as a liability and if not, it is recognised as interest earned in the statement of financial performance.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.10 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.10 Inventories (continued)

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Where inventories are acquired at no cost, or for nominal consideration, the cost is deemed to be the fair value as at date of acquisition. Cost is generally using the first-in-first-out principle except where stated otherwise.

Unsold properties are measured at the lower of cost and net realisable value. Cost is primarily determined by reference to the valuation roll values as at the date of initial recognition or total cost of servicing the land. Net realisable values are based on the latest valuation roll values less estimated cost to sell.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.11 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
- (b) the number of production or similar units expected to be obtained from the asset by the municipality.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.11 Impairment of cash-generating assets (continued)

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.11 Impairment of cash-generating assets (continued)

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Reversal of impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.11 Impairment of cash-generating assets (continued)

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
 - exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.
- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.12 Financial instruments (continued)

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - It is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
- financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from Exchange Transactions	Financial asset measured at amortised cost
Receivables from Non-Exchange Transactions	Financial asset measured at amortised cost
Consumer Debtors	Financial asset measured at amortised cost
Money Market Investments	Financial asset measured at amortised cost
Cash and Cash Equivalents	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Other Financial Liabilities	Financial liability measured at amortised cost
Trade and Other Payables	Financial liability measured at amortised cost
VAT Payable	Financial liability measured at amortised cost
Consumer Deposits	Financial liability measured at amortised cost
Retirement Benefit Obligation	Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.12 Financial instruments (continued)

The entity measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.12 Financial instruments (continued)

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.13 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.13 Employee benefits (continued)

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise the excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

Mahikeng Local Municipality

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Accounting Policies

1.13 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognise actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting entity) that are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits and are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either:

- the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or
- the assets are returned to the reporting entity to reimburse it for employee benefits already paid.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognise past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The entity account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The entity measure the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The entity determine the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

Mahikeng Local Municipality

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Accounting Policies

1.13 Employee benefits (continued)

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

1.14 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

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Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.14 Provisions and contingencies (continued)

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

Provisions are not recognised for future operating deficits.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 37.

Site Restoration, restructuring and Long Service Award

Site Restoration

In accordance with applicable legal requirements, a provision for site restoration in respect of landfill sites is recognised when the land is contaminated. The related expense is capitalised against the cost of the landfill sites.

Restructuring

A provision for restructuring is recognised when the municipality has approved a detailed and formal restructuring plan and the restructuring either has commenced or has been announced as publicly.

Long Service Award

In terms of the Collective Bargaining Agreement, employees who achieve a certain predetermined milestone of service within the municipality are entitled to leave days or cash equivalent. A provision is made at the end of each balance sheet date based on the estimated number of employees who are likely to achieve the milestones in the future. The provision is discounted using a reasonable discounting rate.

1.15 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.15 Revenue from exchange transactions (continued)

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Service Charges

Service charges relating to distribution of water are based on consumption. Meters are read on a regular basis consumption is recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made on a monthly basis when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without it being invoiced. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is raised based on the average monthly consumption. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters are read. These adjustments are recognised as revenue in the invoicing period.

Service charges relating to refuse removal are recognised on a monthly basis by applying the approved tariff to each property receiving services. Tariffs are determined per category of property and are levied monthly based on the type of property not taking into consideration the number of refuse containers.

Service charges from sewerage and sanitation services are based on the type of service not taking into consideration the number of sewer connections on all developed property, using the tariffs approved by Council. Revenue is recognised on a monthly basis.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest earned and rentals received

Interest income is recognised in surplus or deficit as it accrues, using the effective interest method. Interest earned on unutilised conditional grants is recognised as an unspent conditional grants liability if the grant conditions indicate that interest is payable to the grantor.

Rental income from operating leases is recognised on a straight line basis over the lease term.

Tariff charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

Housing rental and installments

Finance income from the sale of housing by way of installment sales agreements or finance leases is recognised as it accrues in surplus or deficit using the effective interest method.

1.16 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.16 Revenue from non-exchange transactions (continued)

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arises when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.16 Revenue from non-exchange transactions (continued)

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

1.17 Investment income and expenses

Investment income is recognised on a time-proportion basis using the effective interest method.

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method. Dividend income is recognised in surplus or deficit on the date that the municipality's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets through profit or loss and impairment losses recognised on financial assets.

Borrowing costs are recognised in surplus or deficit using the effective interest method.

1.18 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.19 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the annual financial statements are amended, comparative amounts are reclassified. The nature and amounts of reclassifications as well as the reasons are disclosed in the notes to the financial statements.

1.20 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No 56 of 2003). Unauthorised expenditure is accounted for as an expense and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.21 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Mahikeng Local Municipality

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Accounting Policies

1.22 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No. 20 of 1998) or is in contravention of the municipality's supply chain management policy. The irregular expenditure excludes unauthorised expenditure.

All the expenditure relating to irregular expenditure is recognised in the statement of financial performance in the period that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

The irregular expenditure that was incurred and identified during the current financial period and which was condoned before year end and/ or before finalization of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instances, no further action is also required with the exception of updating the note in the annual financial statements.

Irregular expenditure that was incurred and identified during the current financial period and for which the condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the irregular expenditure register.

Where the irregular expenditure was incurred in the prior financial periods and only condoned in the following financial period, the irregular expenditure register and the note to the financial statements must be updated with the amounts condoned.

Irregular expenditure that was incurred and identified during the current financial period and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If the liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the concerned person. If recovery is not possible, the accounting officer or accounting authority may write off the irregular expenditure as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must be updated accordingly. If the irregular expenditure has not been condoned no person is liable in law, the expenditure related thereto must remain against the relevant programme/ expenditure line item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000) and the Public Office Bearers Act (Act No. 20 of 1998), or is in contravention of the economic entity's supply chain management policy. The irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.23 Net reserves

Net reserves are a residual interest in the assets of an municipality after deducting all of its liabilities from the total municipal assets.

1.24 Tax

Value Added Tax (VAT)

The municipality accounts for VAT on the cash basis. The municipality is liable to account for VAT at the standard rate 15% (14% (31 March 2018)) in terms of section 7 (1) (a) of the VAT Act in respect of the supply of goods or services, except where the supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or are scoped out for VAT purposes. The municipality accounts for VAT on a monthly basis.

The annual financial statements have been prepared on the assumption that the municipality will continue to operate on a going concern basis for at least the next twelve months.

1.25 Budget information

The Municipality is subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by the municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.25 Budget information (continued)

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01-Jul-17 to 30-Jun-18.

The financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The Statement of comparative and actual information has been included in the financial statements as the recommended disclosure when the financial statements and the budget are on the same basis of accounting as determined by National Treasury.

Comparative information is not required.

1.26 Related parties

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the local sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.27 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.28 Consumer Deposits

Consumer deposits are charged when new water and/or electricity accounts are opened except for owner occupied proportions. The amounts vary per type of consumer and are approved by Council as part of the tariff structure.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Accounting Policies

1.29 Commitments

Capital commitments disclosed in the financial statements represents the balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments. Capital commitments disclosed in the financial statements represents the balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after July 1, 2018 or later periods:

Standard/ Interpretation:	Effective date:	Expected impact:
GRAP 20 : Related Parties	1-Jul-19	Unlikely that there will be a material impact
GRAP 108 : Standard of GRAP on Statutory Receivables	1-Jul-19	Unlikely that there will be a material impact
GRAP 109 : Accounting by Principals and Agents	1-Jul-19	Unlikely that there will be a material impact
GRAP 32 : Service Concession Arrangements: Grantor	1-Jul-19	Unlikely that there will be a material impact
IGRAP 19 : Provisions, Contingent Liabilities and Assets	1-Jul-19	Unlikely that there will be a material impact
IGRAP 18 : Recognition and Derecognition of Land	1-Jul-20	Unlikely that there will be a material impact
GRAP 110 : Living and Non- Living Resources	1-Jul-20	Unlikely that there will be a material impact

2.2 Standards and interpretations not yet effective or relevant

The following GRAP standards have been issued but no effective date has been determined.

Standard/ Interpretation:	Effective date:	Expected impact:
IGRAP 17 : Service Concession Arrangements	None	Unlikely that there will be a material impact

3. Investment property

	2018			2017		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	171,389,100	-	171,389,100	159,021,500	-	159,021,500

Reconciliation of investment property - 2018

	Opening balance	Fair value adjustments	Total
Investment property	159,021,500	12,367,600	171,389,100

Reconciliation of investment property - 2017

	Opening balance	Fair value adjustments	Total
Investment property	147,814,920	11,206,580	159,021,500

Mahikeng Local Municipality

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3. Investment property (continued)

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

The Investment property is measured using the fair value model in accordance with GRAP 16.

The following valuation approaches are applied in combination depending on the category of investment property as follows:

1. Comparison sales/price method. Comparable valid sales in a specific area are used, subject property is compared to the sales and market valuations are derived. This is mostly used for residential properties.
2. Capitalization of income approach. A future income stream is capitalized to determine a value of property. This valuation method is mostly used for commercial properties.
3. Replacement cost minus depreciation valuation. Valuation method for specialized property where there is no comparable properties sales, no income stream, properties like schools, churches, etc.

An amount of R 5,288,710 (2017: R 5,898,784) was recognised as rental income from the leasing of land and buildings classified as investment property during the financial year ended 30 June 2018.

There are no restrictions on the realisability of investment property or the remittance of revenue and proceeds of disposal and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements for the financial year ended 30 June 2018.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

The following valuation techniques were applied for the fair value determination of investment property:

1. Comparison sales method (market price), where comparable valid property sales in a specific area are used, subject property is compared to the sales and market valuation is derived. This is mostly used for residential properties.
2. Capitalization of income approach, where a future income stream is capitalized to determine a value to a property. This valuation method is mostly used for commercial properties.
3. Replacement cost minus depreciation valuation. Valuation method for specialized property where there is no comparable properties sales, no income stream, for instance, schools and churches.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

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4. Property, plant and equipment

	2018			2017		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	242,851,977	-	242,851,977	242,851,978	-	242,851,978
Buildings	100,710,620	(72,394,496)	28,316,124	101,198,585	(68,297,760)	32,900,825
Community facilities	121,703,380	(85,447,096)	36,256,284	123,018,101	(79,629,413)	43,388,688
Roads network	1,412,218,979	(781,854,424)	630,364,555	1,388,932,200	(751,717,249)	637,214,951
Stormwater network	31,213,919	(16,389,735)	14,824,184	28,766,284	(15,426,713)	13,339,571
Electrical network	118,091,416	(41,582,319)	76,509,097	110,890,593	(38,960,629)	71,929,964
Infrastructure - Work in Progress	102,476,941	-	102,476,941	81,942,040	-	81,942,040
Capital spares	2,809,006	(1,429,472)	1,379,534	2,809,006	(1,387,050)	1,441,956
Furniture and fixtures	11,026,814	(8,744,432)	2,282,382	9,515,189	(8,219,991)	1,295,198
Motor vehicles	25,904,983	(21,511,352)	4,393,631	25,904,983	(18,937,600)	6,967,383
Office equipment	717,780	(476,253)	241,527	522,280	(463,639)	58,641
IT equipment	4,468,261	(3,145,902)	1,322,359	3,932,887	(2,800,691)	1,132,196
Other assets	865,371	(689,081)	176,290	668,471	(667,443)	1,028
Emergency equipment	1,670,706	(1,665,183)	5,523	1,670,706	(1,656,173)	14,533
Finance leased assets	128,378,464	(40,835,387)	87,543,077	128,378,464	(22,495,607)	105,882,857
Landfill site	30,773,702	(5,467,110)	25,306,592	30,773,702	(5,467,110)	25,306,592
Total	2,335,882,319	(1,081,632,242)	1,254,250,077	2,281,775,469	(1,016,107,068)	1,265,668,401

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

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Figures in Rand

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2018

	Opening balance	Correction of error	Additions	Disposals	Donations of assets received	Transfers	Depreciation	Total
Land	242,851,978	-	-	-	-	-	-	242,851,978
Buildings	32,900,825	-	-	(73,892)	-	-	(4,510,809)	28,316,124
Community Facilities	43,388,688	-	-	(187,367)	-	-	(6,945,037)	36,256,284
Roads Network Infrastructure	637,214,951	3,945,750	25,224,325	(2,419,849)	-	-	(33,600,622)	630,364,555
Storm Water Infrastructure	13,339,571	61,660	2,395,737	(2,001)	-	-	(970,783)	14,824,184
Electrical Network Infrastructure	71,929,964	-	7,212,809	(1,357)	-	-	(2,632,319)	76,509,097
Infrastructure Work-In-Progress	81,942,040	-	59,375,182	-	-	(38,840,281)	-	102,476,941
Landfill site	25,306,592	-	-	-	-	-	-	25,306,592
Furniture and fixtures	1,295,198	-	682,499	-	829,125	-	(524,440)	2,282,382
Motor vehicles	6,967,383	-	-	-	-	-	(2,573,752)	4,393,631
Office equipment	58,641	-	222,500	-	-	-	(39,614)	241,527
IT equipment	1,132,196	-	395,724	-	139,650	-	(345,211)	1,322,359
Other Assets	1,028	-	196,900	-	-	-	(21,638)	176,290
Capital spares	1,441,956	-	-	-	-	-	(62,422)	1,379,534
Emergency Equipment	14,533	-	-	-	-	-	(9,010)	5,523
Finance leased assets	105,882,857	-	-	-	-	-	(18,339,781)	87,543,076
	1,265,668,401	4,007,410	95,705,676	(2,684,466)	968,775	(38,840,281)	(70,575,438)	1,254,250,077

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Additions through transfer of functions / mergers	Disposals	Transfers	Depreciation	Total
Land	242,851,978	-	-	-	-	-	242,851,978
Buildings	37,831,859	-	-	-	-	(4,931,034)	32,900,825
Community facilities	50,675,191	-	-	-	-	(7,286,503)	43,388,688
Roads network infrastructure	610,620,632	67,734,323	-	(2,294,036)	-	(38,845,968)	637,214,951
Storm water network	13,233,621	1,044,579	-	-	-	(938,629)	13,339,571
Electrical network Infrastructure	74,383,517	-	-	-	-	(2,453,553)	71,929,964
Infrastructure Work-in-Progress	94,270,391	55,570,207	-	-	(67,898,558)	-	81,942,040
Landfill site	26,406,879	-	-	-	-	(1,100,287)	25,306,592
Plant and machinery	(106,621)	-	(583,567)	-	-	-	(890,188)
Furniture and fixtures	1,145,666	1,118,834	-	-	-	(969,302)	1,295,198
Motor vehicles	9,728,662	2,328,290	-	(1,446,972)	-	(3,642,597)	6,967,383
Office equipment	84,628	-	-	-	-	(25,987)	58,641
IT equipment	1,145,781	325,364	-	-	-	(338,949)	1,132,196
Other assets	4,436	-	-	-	-	(3,408)	1,028
Capital spares	1,504,379	-	-	-	-	(62,423)	1,441,956
Emergency equipment	187,826	-	-	(1)	-	(173,292)	14,533
Finance leased assets	124,222,638	-	-	-	-	(18,339,781)	105,882,857
	1,288,191,463	128,121,597	(583,567)	(3,741,009)	(67,898,558)	(79,111,713)	1,264,978,213

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
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5. Intangible assets

	2018			2017		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	2,823,715	(1,444,068)	1,379,647	2,823,715	(1,553,212)	1,270,503

Reconciliation of intangible assets - 2018

	Opening balance	Reassessment adjustment	Amortisation	Total
Computer software	1,270,503	391,516	(282,372)	1,379,647

Reconciliation of intangible assets - 2017

	Opening balance	Amortisation	Total
Computer software	1,835,246	(564,743)	1,270,503

During the year ended 30 June 2018, all computer software classified as intangible assets had their useful lives reassessed from 5 years to 10 years based on future expected usage. The related gain on reassessment was accounted for prospectively in terms of GRAP 3 and GRAP 31. The amortisation for the year is included under depreciation and amortisation in the statement of financial performance. The entity does not have any internally generated intangible assets and no indications of impairment were identified during the financial year.

6. Employee benefit obligations

Defined benefit plan

Post retirement medical aid plan

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2018 by S Basadien, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Defined Benefit Pension Fund

The Mafikeng City Council Pension Fund ("the Fund") is a defined benefit pension fund that commenced on 1 March 1983. It provides, amongst other benefits, a pension that is defined as a percentage of pensionable salary at the retirement date.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 30 June 2018 by S Basadien, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Method.

Membership: Long Service benefits

In-Service Members	573	611
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Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
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6. Employee benefit obligations (continued)

The members of the Post-retirement medical aid benefit plan are made up as follows:

Medical aid fund		
Total Active Members	343	376
Continuation members	23	8
	366	384

Pension Fund		
Total Active Members	538	584
Total Pensioners	6	6
	544	590

Carrying value		
Present value of the defined benefit obligation-wholly unfunded	(23,041,000)	(19,164,000)
Present value of the defined benefit obligation-partly or wholly funded	(222,737,000)	(187,545,000)
Long Service awards	(14,152,000)	(16,147,000)
	(259,930,000)	(222,856,000)

Non-current liabilities	(257,930,000)	(221,521,000)
Current liabilities	(2,000,000)	(1,335,000)
	(259,930,000)	(222,856,000)

Reconciliation of opening and closing balances of the present value of the Post-Retirement Medical Aid

Accrued Service Liability at 30 June	19,164,000	24,669,000
Interest Cost - July 2017 - June 2018	2,051,000	2,544,000
Current Service Cost - July 2017 - June 2018	1,788,000	2,195,000
Expected Benefit payments - July 2017 - June 2018	(24,000)	(38,000)
Projected Accrued Service Liability at 30.6.2018	22,979,000	29,370,000
Actuarial gain/(loss)	(62,000)	(10,000)
	23,041,000	19,164,000

Reconciliation of opening and closing balances of the present value of the defined benefit obligations

Net (liability) / asset at the beginning of the year	(187,545,000)	(240,348,000)
Net (expense) / income recognised in the income statement	(45,852,000)	(52,256,000)
Other comprehensive income	(3,125,000)	89,541,000
Contributions	13,783,000	15,519,000
	(222,737,000)	(187,544,000)

Reconciliation of opening and closing balances of the present value of the long service benefits

Accrued Service Liability at 30 June\	16,147,000	16,296,000
Interest Cost	1,524,000	1,687,000
Current Service Cost	785,000	1,890,000
Expected Benefit payments	(1,311,000)	(854,000)
Actuarial (gain)/loss	(2,993,000.00)	(2,872,000.00)
	14,152,000	16,147,000

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
6. Employee benefit obligations (continued)		
Reconciliation of the opening and closing balances of the fair value of plan assets		
Fair value of plan assets as at 30 June	296,990,000	265,018,000
Expected return on plan assets	26,169,000	25,010,000
Member Contributions	8,375,000	10,187,000
Municipality Contributions	13,783,000	15,519,000
Benefits paid	(72,675,000)	(27,599,000)
Actuarial (gain) loss on plan assets	(13,789,000)	8,856,000
	258,853,000	296,991,000
Net expense recognised in the statement of financial performance - Post-retirement medical aid benefit		
Current service cost	1,788,000	2,195,000
Interest cost	2,051,000	2,544,000
Actuarial (gains) losses	62,000	(10,206,000)
Settlement	(24,000)	(38,000)
	3,877,000	(5,505,000)
Net expense recognised in the statement of financial performance - Defined benefit Pension Fund		
Current service cost	(27,199,000)	(28,877,000)
Net financing costs	(18,653,000)	(23,379,000)
Other comprehensive income	(3,125,000)	89,541,000
Contribution	13,783,000	15,519,000
	(35,194,000)	52,804,000
Net expense recognised in the statement of financial performance - Long service benefits		
Current service cost	78,500	1,890,000
Net financing costs	1,524,000	1,687,000
Actuarial (gains) losses	(2,993,000)	(2,872,000)
	(1,390,500)	705,000
Actual return of plan assets are as follows:		
Opening balance	33,865,000	-
Actual return on plan assets	-	33,865,000
Benefits paid	(21,485,000)	-
	12,380,000	33,865,000

The municipality expects to contribute - to its defined benefit plans in the following financial year.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

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6. Employee benefit obligations (continued)

Key Financial Assumptions

The principal assumptions used for the purposes of the actuarial valuation on 30 June 2018:

Discount rates used	9.61 %	9.60 %
Inflation rate	6.50 %	5.90 %
Salary increase rate	7.50 %	6.90 %
Pension increase allowance (active members)	3.55 %	3.25 %
Medical cost trend rates	7.70 %	8.00 %
Expected increase in salaries	6.90 %	7.50 %
Pension increase allowance (pensioners)	6.50 %	5.90 %

Defined benefit plan

The discount rate used to place a value on future benefit payments is consistent with the GRAP 25 requirement that a long-term government bond yield be used. This rate is the annualised yield on the R213 government bond, which was 9.50% as at 30 June 2018. The rate of 9.61% was used last year.

The inflation rate has been set as follows - The base inflation rate has been set by determining the difference in annualised yield between the R213 government bond and the R202 government inflation linked gilts - 9.50% and 2.95% as at 31 June 2018, resulting in a rate of 5.90%.

In order to set salary increase assumptions, the assumed inflation rate of 5.90% per annum has been increased by 1.0% to 6.90% per annum.

The pension increase policy provides for an increase of 55% of the increase in CPI. On this basis, the post-retirement discount rate for active members was 6.2%, allowing for increases of 55% of the increase in CPI.

Long Service Awards

The municipal employees, excluding those with fixed term contract, who have been with the employer for a certain period of time are entitled to additional leave days (in accordance with normal leave) as recognition for service at the same employer. The additional leave (long service awards) is paid out when the employee has reached the required continued period of service.

The Most recent actuarial valuations of plan assets and defined obligation were carried at 30 June 2018 by Old Mutual Shamiel Basadien, fellow of the Actuarial Society of South Africa.

A discount rate of 9.5% per year has been used to place a present value on future benefit payments. This is consistent with the GRAP25 requirement that the discount rate used should be the long-term government bond yield. The rate of 9.5% is the gross redemption yield on the R213 government bond as at 30 June 2018.

An expected long-term salary increase rate of 6.9% per year has been used to value the liabilities. The salary increase assumption has been set as follows: The base inflation rate CPI has been set as the difference in the yields on the R213 and the inflation-linked R202 bond. The salary increase assumption was set equal to base inflation rate plus 1% per annum.

The number of leave days payable for each milestone (number of years served) are detailed in the table below:

- After 10 years of service - 10 working days
- After 15 years of service - 20 working days
- After 20 years of service - 30 working days
- After 25 years of service - 30 working days
- After 30 years of service - 30 working days
- After 35 years of service - 30 working days
- After 40 years of service - 30 working days
- After 45 years of service - 30 working days

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

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6. Employee benefit obligations (continued)

Sensitivity analysis

This section indicates the effect a change in the assumptions can have on the results. We have shown the effect of a 1% change in the discount rate and inflation.

Pension Fund

	Liability	Service Cost
GRAP 25 Basis	481,591,000	28,288,000
Discount Rate +1% (10.50%)	447,727,000	26,152,000
Discount Rate -1% (8.50%)	519,914,000	30,735,000

Post-retirement medical aid

	Liability	Service Cost
Discount rate – increases by 1% p.a.	19,905,000	874,000
Discount rate – reduces by 1% p.a.	26,949,000	1,285,000
Medical Inflation – increases by 1% p.a.	26,993,000	1,288,000
Medical Inflation – reduces by 1% p.a.	19,823,000	869,000
Retirement age – 63	26,333,000	1,141,000

Long Service benefit

	Liability	Service Cost
Discount rate – increases by 1% p.a.	13,121,000	1,071,000
Discount rate – reduces by 1% p.a.	15,323,000	1,306,000
Salary inflation – Increases by 1% p.a.	15,342,000	1,308,000
Salary inflation – reduces by 1% p.a.	13,088,000	1,067,000

7. Inventories

Land	62,990,691	63,288,491
Consumable stores	1,436,302	3,773,193
Fuel (Diesel, Petrol)	230,040	1,345,368
	64,657,033	68,407,052

7.1 Inventory shortages and surpluses

Inventory shortages	100,014	282,367
Inventories recognised as an expense during the year	15,513,550	9,424,417

8. Receivables

Salary error suspense	11,748,577	12,961,157
Provision for bad debts	(832,947)	(5,560,262)
	10,915,630	7,400,895

Mahikeng Local Municipality

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Notes to the Financial Statements

Figures in Rand	2018	2017
8. Receivables (continued)		
Trade and other receivables past due but not impaired		
Trade and other receivables which are less than 1 month past due are not considered to be impaired.		
The ageing of amounts past due but not impaired is as follows:		
1 month past due	52,633,934	30,815,113
9. Receivables from non-exchange transactions		
Provision for bad debts	(420,123,562)	(273,480,653)
Property rates	449,233,680	323,860,803
Provision for bad debts - Fines	(21,143,708)	(19,275,173)
Receivables - Fines	24,609,029	21,724,687
	32,575,439	52,829,664
10. Consumer debtors from exchange transactions		
Gross balances		
Water	373,288,279	262,041,100
Sewerage	109,820,288	86,354,877
Refuse	104,530,068	85,679,120
Other (Sundry charges, Interest, VAT)	223,693,543	201,903,519
	811,332,178	635,978,616
Less: Allowance for impairment		
Water	(318,000,892)	(183,753,028)
Sewerage	(93,245,035)	(63,156,980)
Refuse	(88,867,186)	(55,314,295)
Other (Sundry charges, Interest, VAT)	(76,661,610)	(186,758,986)
	(576,774,723)	(488,983,289)
Net balance		
Water	55,287,387	78,288,072
Sewerage	16,575,253	23,197,897
Refuse	15,662,882	30,364,825
Other (Sundry charges, Interest, VAT)	147,031,933	15,144,533
	234,557,455	146,995,327
Water		
Current (0 -30 days)	18,348,955	5,140,286
31 - 60 days	9,396,349	3,457,875
61 - 90 days	2,992,471	3,222,853
91 - 120 days	2,521,663	2,780,852
121 - 365 days	22,027,949	63,686,206
	55,287,387	78,288,072

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
10. Consumer debtors from exchange transactions (continued)		
Sewerage		
Current (0 -30 days)	4,588,888	1,059,589
31 - 60 days	2,065,112	808,243
61 - 90 days	675,310	723,893
91 - 120 days	637,322	685,989
121 - 365 days	8,608,621	19,920,183
	16,575,253	23,197,897
Refuse		
Current (0 -30 days)	4,071,105	1,313,402
31 - 60 days	1,905,001	1,082,551
61 - 90 days	620,373	994,635
91 - 120 days	584,894	920,673
121 - 365 days	8,481,509	26,053,564
	15,662,882	30,364,825
 Current (0 -30 days)	 3,315,119	 341,463
31 - 60 days	107,003	11,021
61 - 90 days	95,683	9,855
91 - 120 days	43,850	4,517
121 - 365 days	143,470,278	14,777,677
	147,031,933	15,144,533

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
10. Consumer debtors from exchange transactions (continued)		
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	15,322,157	6,083,601
31 - 60 days	21,057,275	13,270,353
61 - 90 days	16,219,391	13,848,171
91 - 120 days	17,492,993	13,250,512
121 - 365 days	538,659,981	431,170,319
	608,751,797	477,622,956
Less: Allowance for impairment	(502,669,073)	(380,339,735)
	106,082,724	97,283,221
Industrial/ commercial		
Current (0 -30 days)	13,179,432	11,281,208
31 - 60 days	6,203,750	5,579,696
61 - 90 days	5,232,492	4,890,236
91 - 120 days	3,991,165	4,088,769
121 - 365 days	113,384,230	94,860,773
	141,991,069	120,700,682
Less: Allowance for impairment	(117,247,324)	(98,116,120)
	24,743,745	24,584,562
National and provincial government		
Current (0 -30 days)	24,132,345	13,450,304
31 - 60 days	13,418,945	8,320,494
61 - 90 days	13,796,821	7,503,088
91 - 120 days	11,253,458	7,825,032
121 - 365 days	394,030,683	322,284,279
	456,632,252	359,163,177
Less: Allowance for impairment	(377,058,289)	(286,008,087)
	79,573,963	73,155,090
Total		
Current (0 -30 days)	52,633,934	30,815,113
31 - 60 days	40,679,971	27,170,543
61 - 90 days	35,248,704	26,241,475
91 - 120 days	32,737,616	24,964,313
121 - 365 days	1,046,074,893	848,295,371
	1,207,375,118	957,486,815
Less: Allowance for impairment	(996,974,686)	(762,463,942)
	210,400,432	195,022,873
11. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	33,085	17,596
Short-term deposits	10,298,854	1,066,977
Cash and cash equivalents	(34,487,402)	(16,000,814)
	(24,155,463)	(14,916,241)

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
11. Cash and cash equivalents (continued)		
Current assets	10,331,939	1,084,573
Current liabilities	(34,487,402)	(16,000,814)
	(24,155,463)	(14,916,241)

The short term investment with VBS Mutual Bank of R83 440 312.06 has been impaired due to recoverability of the amount being put in doubt. The bank has been put under curatorship and the deposits by municipalities held by the bank were not honoured as only natural people were to receive their deposits. At the end of the financial year the uncertainty relating to the recoverability of the deposits has not been cleared and therefore a decision to impair

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June, 2018	30 June, 2017	30 June, 2016	30 June, 2018	30 June, 2017	30 June, 2016
Standard Bank - Current Account - Account number 30852595	3,341,135	831,513	1,069,686	(34,454,317)	(15,896,824)	(15,545,052)
Nedbank - Call Account - 03/7881034459/0000020	89,865	85,905	369,850	662,850	962,988	369,850
Standard Bank - Call Account - 238650863/037	41,507	-	-	41,507	-	-
Standard Bank - Call Account - 238650863/014	-	-	136,300	-	-	136,300
Standard Bank - Call Account - 238650863/025	337,689	300,137	281,578	337,689	-	281,578
Standard Bank - Call Account - 238650863/038	38,956	-	-	38,956	-	-
Standard Bank - Call Account - 238650863/039	190,589	-	-	190,589	-	-
Standard Bank - Call Account - 238650863/033	-	-	26,587	-	-	26,587
Standard Bank - Call Account - 238650863/030	-	-	39,085	-	-	39,085
Nedbank - Call Account - 03/7881120835/0000001	124,181	116,503	108,376	-	-	108,376
Standard Bank - Call Account - 238650863/040	27,263	-	-	9,027,263	-	-
Standard Bank - Call Account - 238650863/035	-	-	365,588	-	-	365,588
ABSA Bank - Call Account - 4071943748	1,131	1,131	774	-	-	774
ABSA- Fixed D-2049151018	61,351	57,666	-	-	-	-
ABSA-Grow Bus-4090532851	166,956	166,956	-	-	-	-
ABSA-NOT 9064617006	38,058	36,619	-	-	-	-
VBS Mutual Bank - 658308001	83,440,312	-	-	-	-	-
ABSA - 20-5333-3573	8,749	-	-	-	-	-
ABSA - 20-5333-4163	8,749	-	-	-	-	-
ABSA - 20-5324-6724	46,006	-	-	-	-	-
ABSA - 20-5622-0905	11,130	-	-	-	-	-
First National Bank 710390511164	80,158	-	-	-	-	-
Total	88,053,785	1,596,430	2,397,804	(24,155,463)	(14,933,836)	(14,216,934)

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
12. Finance lease obligation		
Minimum lease payments due		
- within one year	33,811,050	45,605,076
- in second to fifth year inclusive	-	18,516,144
Present value of minimum lease payments	33,811,050	64,121,220
Non-current liabilities	-	18,516,144
Current liabilities	33,811,050	45,605,076
	33,811,050	64,121,220

It is municipality policy to lease certain property plant and and equipment under finance leases.

The finance lease is secured over yellow fleet to the value of R128 378 464 included in property, plant and equipment. The finance lease is over 36 month, with a minimum lease payments of R4 142 411 at an effective interest rate of 10%.

Finance Lease (Right of Use Assets)

The Municipality leases a fleet of vehicles and machinery termed the yellow and white fleet. The yellow fleet is under a 36 month finance lease agreement expiring in December 2018. Upon expiry of the lease term, ownership of the yellow fleet passes to the Municipality in terms on the lease agreement. On 20 September 2018, the lessor repossessed the entire yellow and white fleet due to a dispute relating to defaulting on monthly lease payments. As a result of the dispute and the repossession, the matter has been referred to the courts.

13. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Municipal Infrastructure Grant (MIG)	6,305,321	6,073,797
Library Grant (LG)	-	-
Provincial Infrastructure Grant (PIG)	-	1,988,915
	6,305,321	8,062,712

14. Financial liabilities - Loans

At amortised cost

DBSA Loans	3,647,101	5,805,027
The loans carry interest at 5% per annum. Loan account number 61000715 and 61000717 are repayable over a period of 10 years. These loans were used to fund the municipality's infrastructure assets. The loans are secured over the rental income from one of the municipality's investment property.		
INCA Loan	13,724,823	14,369,714
Loan, Acc No: MAFI-00-0001/ Deal no. 118115, carry interest at 12.78% per annum repayable over a period of 20 years. This loan was used to fund the municipality's infrastructure assets. The loan is secured by the municipality's income from assessment rates.		
	17,371,924	20,174,741
Total other financial liabilities	17,371,924	20,174,741
Non-current liabilities		
At amortised cost	11,004,347	14,548,398

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
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14. Financial liabilities - Loans (continued)

Current liabilities

At amortised cost	6,367,577	5,626,343
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15. Provisions

Reconciliation of provisions - 2018

	Opening Balance	Additions	Total
Environmental rehabilitation - Landfill site	89,420,030	1,460,599	90,880,629

Reconciliation of provisions - 2017

	Opening Balance	Additions	Total
Environmental rehabilitation- Landfill site	83,465,060	5,954,970	89,420,030

Environmental rehabilitation - Landfill Site

This provision was raised in order to determine the closure and rehabilitation costs for the waste disposal site in accordance with the Minimum Requirements (Second Edition, 1998) from the Department of Water Affairs and Forestry (DWAF).

The following assumptions were made to provide an estimation of the rehabilitation site:

The remaining site life as at 30 June 2018 is 23 years.

16. Payables

Trade payables	450,108,307	317,737,380
Accrued leave pay	21,040,678	19,021,461
Other creditors	52,610,324	27,282,294
Unallocated deposits	5,236,643	-
Thirteenth Cheque Accrual	5,047,487	10,101,458
Retention	16,569,676	13,689,691
Sundry creditors	57,989,889	23,788,208
	608,603,004	411,620,492

17. VAT payable

Tax refunds payables	21,908,116	22,273,290
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18. Consumer deposits

Other deposits	6,783,354	7,070,373
Water	4,445,300	4,108,184
	11,228,654	11,178,557

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
19. Revenue		
Service charges	233,242,797	169,585,407
Rental of facilities and equipment	6,260,653	5,898,784
Interest received (trading)	66,022,942	73,157,225
Licences and permits	4,046,764	3,049,099
Fees earned	1,686,131	1,717,743
Discount received	968,775	-
Other income	2,427,350	2,741,808
Interest received - investment	1,940,909	1,051,529
Property rates	269,838,804	183,182,552
Government grants & subsidies	286,021,974	280,020,536
Fines, Penalties and Forfeits	3,219,241	3,651,808
	875,676,340	724,056,491

The amount included in revenue arising from exchanges of goods or services are as follows:

Service charges	233,242,797	169,585,407
Rental of facilities and equipment	6,260,653	5,898,784
Interest received (trading)	66,022,942	73,157,225
Licences and permits	4,046,764	3,049,099
Fees earned	1,686,131	1,717,743
Discount received	968,775	-
Other income	2,427,350	2,741,808
Interest received - investment	1,940,909	1,051,529
	316,596,321	257,201,595

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue		
Property rates	269,838,804	183,182,552
Transfer revenue		
Government grants & subsidies	286,021,974	280,020,536
Fines, Penalties and Forfeits	3,219,241	3,651,808
	559,080,019	466,854,896

20. Service charges

Sale of water	156,587,380	107,046,975
Sewerage and sanitation charges	40,722,690	30,725,336
Refuse removal	35,932,727	31,813,096
	233,242,797	169,585,407

21. Rental of facilities and equipment

Premises		
Premises	6,260,653	5,898,784

22. Other revenue

Fees earned	1,686,131	1,717,743
Discount received	968,775	-
Other income	2,427,350	2,741,808
	5,082,256	4,459,551

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
23. Investment revenue		
Interest revenue		
Interest earned (bank and investment accounts)	1,940,909	1,051,529
24. Property rates		
Rates received		
Residential, Business and Government	272,620,739	183,847,073
Less: Income forgone	(2,781,935)	(664,521)
	269,838,804	183,182,552

The following general rate have been approved by Council:

Differentiated rates were applied as follows. Impermissible rate for residential was first R40 000 for all residential properties.

	Description	Rate	Discount %	Rebate
1.	Residential	0.007183	-	R15 000
2.	RDP	0.007183	100%	R15 000
3.	Pensioners	0.007183	80%	R15 000
4.	Agricultural Residential	0.007196	-	-
5.	Farms	0.001796	-	-
8.	Government (Parks)	0.051520	100%	-
7.	Church	0.025711	100%	-
8.	Business	0.025711	-	-
9.	Creche	0.025711	-	-
10.	Industrial	0.025711	-	-
11.	Guesthouse1	0.025711	25%	-
12.	Guesthouse2	0.025711	25%	-
13.	Guesthouse3	0.025711	-	-
14.	Municipal	0.051520	100%	-

Valuations

Valuations on land and buildings are performed every 5 years. The applicable General Valuation came into effect on 1 July 2017 and will remain valid until 30 June 2022. It is based on market-related values. Property valuation adjustments, such as supplementary valuations, objection valuations and Valuation Appeal Board decisions are processed continuously.

Municipal rates are levied on a monthly basis in terms of the provisions of the rates policy, which makes provision for rebates and exemptions.

The valuation roll was prepared by a registered valuer and discharged their duties as municipal valuer and as such complied with Sections 43 and 44 of the Local Government: Municipal Property Rates Act, 2004.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
25. Government grants and subsidies		
Operating grants		
Equitable share	200,795,797	178,390,000
Expanded Public Works Programme Grant (EPWP)	6,444,000	3,672,000
Library Grant (LG)	1,300,000	1,965,069
Finance Management Grant (FMG)	2,145,003	1,810,000
	210,684,800	185,837,069
Capital grants		
Municipal Infrastructure Grant (MIG)	55,982,679	89,343,203
Firestation Grant (FG)	-	1,971,661
Provincial Infrastructure Grant (PIG)	13,354,495	2,888,603
Electricity Demand Management (EDM)	6,000,000	-
	75,337,174	94,183,467
	286,021,974	280,020,536

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members and for the running of the municipality's operations.

All registered indigents receive a monthly subsidy of 6 kilolitres of water per month which is funded from the grant.

Municipal Infrastructure Grant (MIG)

Balance unspent at beginning of year	6,073,797	-
Current-year receipts	62,288,000	95,417,000
Conditions met - transferred to revenue	(55,982,679)	(89,343,203)
Roll over not approved	(6,073,797)	-
	6,305,321	6,073,797

Conditions still to be met - remain liabilities (see note 13).

The grant was used to fund infrastructure related projects (mainly as part of the service delivery). Capitalised projects funded by this grant are included in property, plant and equipment whilst the unspent portion of the grant is included in current liabilities.

Expanded Public Works Program (EPWP)

Current-year receipts	8,444,000	3,672,000
Conditions met - transferred to revenue	(8,444,000)	(3,872,000)
	-	-

Conditions still to be met - remain liabilities (see note 13).

The grant is used to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme guidelines: road maintenance and the maintenance of buildings; low traffic volume roads and rural roads; basic services infrastructure, including water and sewer reticulation, sanitation, pipelines (excluding bulk infrastructure); other economic and social infrastructure; tourism and cultural industries; waste management; parks and beautification; sustainable land-based livelihoods; social services programmes; health service programmes; and community safety programmes.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
25. Government grants and subsidies (continued)		
Library Grant (LG)		
Balance unspent at beginning of year	-	145,069
Current-year receipts	1,300,000	1,820,000
Conditions met - transferred to revenue	(1,300,000)	(1,965,069)
	-	-

Conditions still to be met - remain liabilities (see note 13).

The grant is used to transform urban and rural community library infrastructure, facilities and services (primarily targeting previously disadvantaged communities).

Finance Management Grant (FMG)

Current-year receipts	2,145,000	1,810,000
Conditions met - transferred to revenue	(2,145,000)	(1,810,000)
	-	-

The grant is mainly used for promoting and supporting reforms in financial management by building capacity in the municipality to implement the Municipal Finance Management Act and progressive financial reporting.

Municipal System Improvement Grant (MSIG)

The grant is meant to assist the municipality in the improvement of system related transactions.

Electricity Demand Management Grant

This fund has been granted by the Department of Energy to the municipality to be used in electricity efficiency usage programme.

Firestation Grant (FG)

Balance unspent at beginning of year	-	1,971,661
Conditions met - transferred to revenue	-	(1,971,661)
	-	-

Conditions still to be met - remain liabilities (see note 13).

This is mainly used to provide satellite fire station at Ottoshoop.

Provincial Infrastructure Grant

Balance unspent at beginning of year	1,988,916	-
Current-year receipts	11,365,579	4,857,519
Conditions met - transferred to revenue	(13,354,495)	(2,868,603)
	-	1,988,916

Conditions still to be met - remain liabilities (see note 13).

Electricity Demand Management (EDM)

Current-year receipts	6,000,000	-
Conditions met - transferred to revenue	(6,000,000)	-
	-	-

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
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25. Government grants and subsidies (continued)

Conditions still to be met - remain liabilities (see note 13).

This fund has been granted by the Department of Energy to the municipality to be used in electricity efficiency usage programme.

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
26. Employee related costs		
Basic	153,853,525	220,325,269
Bonus	6,305,326	23,876,415
Medical aid - company contributions	10,819,262	11,481,011
UIF	1,179,935	1,395,231
Leave pay provision charge	4,514,343	3,537,761
Post retirement benefit	37,074,000	(23,451,138)
Overtime payments	10,382,498	13,984,241
Allowance locomotion	19,670,682	180,039
Housing benefits and allowances	136,485	626,099
Pension funds	28,013,994	15,308,978
Other	3,481,882	791,647
	275,431,932	268,055,553
Remuneration of municipal manager : Mr IT Mokwena		
Annual Remuneration	1,301,519	1,042,215
Car Allowance	309,039	274,267
Other	97,056	17,553
	1,707,614	1,334,035
Remuneration of acting chief finance officer : IT Tswaile		
Annual Remuneration	247,856	-
Car Allowance	74,841	-
Acting allowance	247,855	-
Other	79,183	-
	649,735	-
Remuneration of the Public Safety Director (Acting) - Mr P Z Nko		
Annual Remuneration	-	500,206
Car Allowance	-	124,634
Other	-	71,452
	-	696,292
Remuneration of the Public Safety Director (Acting) - Mr T J Marumo		
Annual Remuneration	533,116	487,916
Car Allowance	133,653	210,706
Acting allowance	114,343	223,887
Other	28,481	7,000
	809,593	929,509
Remuneration of the Community Service Director (Acting) - Mr A K Komane		
Annual Remuneration	261,786	487,916
Car Allowance	35,332	105,997
Other	57,186	408,941
	354,304	1,002,854
Remuneration of the Planning and Development Services Director (Acting) - Mr R E Groenwald		
Annual Remuneration	70,766	500,206

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
26. Employee related costs (continued)		
Car Allowance	11,131	124,643
Acting allowance	-	219,499
Other	13,839	8,184
	95,736	852,532
Remuneration of the Planning and Development Services Director (Acting) - Mr T G Phaedi		
Annual Remuneration	-	453,065
Car Allowance	-	108,972
Acting allowance	-	77,014
Other	-	16,056
	-	655,107
Remuneration of Director of Planning and Development services : Mr T Masia		
Annual Remuneration	457,297	-
Car Allowance	114,560	-
Other	10,076	-
	581,933	-
Remuneration of the Infrastructure Service Director - Mr R S Ruiters		
Annual Remuneration	-	543,673
Car Allowance	-	181,224
Other	-	337,680
	-	1,062,577
Remuneration of the Infrastructure Service Director (Acting) - Ms M Moloi-Tsae		
Annual Remuneration	728,824	538,683
Car Allowance	182,804	122,854
Acting allowance	117,827	54,875
Other	34,401	6,000
	1,063,856	722,412
Remuneration of Community Service Director : Mrs K P Nyembe		
Annual Remuneration	609,730	-
Car Allowance	152,746	-
Other	32,807	-
	795,283	-
27. Remuneration of councillors		
Executive Major	870,814	653,048
Mayoral Committee Members	5,977,899	3,701,567
Speaker	705,529	528,185
Councillors	18,389,908	13,429,640
Chief Whip	646,028	500,126
	26,590,178	18,812,566

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
27. Remuneration of councillors (continued)		
In-kind benefits		
The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time and are provided with office space at the cost of the Council. In addition, they are paid travelling allowances for the trips outside Mahikeng. The Executive Mayor, Speaker, Chief Whip of Council are also provided with secretarial support at the cost of the Council.		
The Executive Mayor has use of a Council owned vehicle for official duties. The Mayor's driver also acts bodyguard.		
The Executive Mayor is entitled to stay at the mayoral residence owned by Council at no cost.		
28. Depreciation and amortisation		
Property, plant and equipment	70,575,433	79,238,896
Intangible assets	(109,144)	564,743
	70,466,289	79,803,639
29. Finance costs		
Other interest paid	9,443,536	23,360,728
30. Debt impairment		
Contributions to debt impairment provision	152,308,468	84,770,408
31. Bulk purchases		
Water	89,816,842	85,270,454
32. Contracted services		
Information Technology Services	6,322,689	9,362,025
Security Services	24,169,006	15,309,538
	30,491,695	24,671,563

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
33. General expenses		
Advertising	1,236,601	5,395,747
Auditors remuneration	1,204,452	4,186,608
Bank charges	222,176	1,089,716
Consulting and professional fees	49,495,377	39,197,401
Donations	435,789	-
Entertainment	924,682	3,629,540
Insurance	237,687	31,498
System Expenditure	2,554,829	154,425
Medical expenses	-	222,393
Disposal site expenditure	-	5,954,970
Fuel and oil	5,412,030	13,059
Postage and courier	1,216,318	898,136
Printing and stationery	1,155,816	534,735
Protective clothing	907,514	2,636,463
Project maintenance costs	-	3,510
Royalties and license fees	204,406	34,870
Library Grant	-	5,031,044
Telephone and fax	1,534,671	1,471,795
Travel - local	4,127,143	1,100,735
Land inventory expenditure	297,800	602,025
Finance Management Grant	-	1,340,076
Valuation roll	2,637,367	3,220,842
Expanded Public Works Programme	-	235,022
Licenses and permits	907,302	1,832,052
Electricity & Water	10,841,619	3,959,851
Ward committee expenses	-	729,157
Meter reading	127,022	4,106,928
Free Basic Services	5,271,484	10,294,095
Other expenses	1,997,066	2,090,377
Materials	15,215,750	8,822,392
Property only	2,684,467	2,294,036
	110,849,368	111,113,498

34. Cash generated from operations

Deficit	(9,428,133)	(7,033,781)
Adjustments for:		
Fair value adjustments	(12,367,600)	(11,206,580)
Debt impairment	152,308,488	84,770,408
Movements in retirement benefit assets and liabilities	37,074,000	(42,161,000)
Other provision movements	1,460,599	(10,341,177)
Changes in working capital:		
Inventories	3,750,019	952,458
Receivables	(223,131,106)	(76,411,669)
Payables	196,982,512	56,331,884
VAT	(365,174)	(6,976,212)
Unspent conditional grants and receipts	(1,757,391)	5,945,983
Consumer deposits	50,097	3,055,600
	215,434,101	76,602,370

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
35. Commitments		
Authorised capital expenditure		
Approved and contracted		
• Roads	55,051,868	28,949,200
• Recreational facilities	11,241,848	14,344,600
• High Mast	26,341,247	12,617,000
• Community Buildings	61,377,708	2,004,651
	154,012,671	57,915,451
Total capital commitments		
Already contracted for but not provided for	154,012,671	57,915,451
Total commitments		
Total commitments		
Authorised capital expenditure	154,012,671	57,915,451

This committed expenditure relates to property and will be financed by externally generated funds being the Municipal Infrastructure Grant and the Electricity Demand Management Grant as per DORA allocations.

The prior period amount was adjusted with an amount of R 17,128,143 in the prior year

The Adjustment to the following projects:

MIG/NW/1911/R,ST/14/15,MIG/NW/1912/R,ST/14/15,MIG/NW/2131/R,ST/14/15,MIG/NW/2060/R/15/16,MIG/NW/2061/R/15/16
,MIG/NW/2062/R/15/16,MIG/NW/2064/R/15/16,MIG/NW/2066A/R/15/16,MIG/NW/2066B/R/15/16 MIG/NW/2066/CF/15/16,
MIG/NW/2069/CL/15/16, MIG/NW/2070/CL/15/16, MIG/NW/0798/CF/07/08, MIG/NW/1617/CL/13/14, MIG/NW/1617/CL/13/14,
MIG/NW/1617/CL/13/14

36. Operating lease commitment

This committed expenditure relates to operating lease commitment entered into by the municipality and Kwane Capital.

Approved and contracted		
• Operating lease	4,161,768	6,360,110

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
37. Contingencies (Assets and Liabilities)		
Cases		
Service providers cases	27,396,283	21,197,941
Property losses/ damages cases	2,833,590	2,833,590
Malicious proceedings	100,000	547,103
Others	11,047,865	7,265,000
	41,377,738	31,843,634

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
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37. Contingencies (Assets and Liabilities) (continued)

Contingent Liabilities

Service provider cases

Famate brought a claim for damages of R1 725 000 in that they were awarded a tender for provision of incentive scheme. Judgement ruled in favour of the applicant and the judgement appealed at the Supreme Court of Appeals

This is a civil claim against the Municipality for an outstanding amount arising from a tender. The amount claimed is R460 238.52. The municipality's defense is that Africanism Building & Civils have not completed their work

TND Risk Solution claim against the Municipality for cancellation of landfill contract claim 1 payment of R1 353 000.00 and claim 2 payment of R5 908 100.00

Cancellation of or breach of contract claim brought against the municipality by Sizanane Consulting for R7 500 000

Tholoana Investment claim against the Municipality demanding a payment amounting to R 1 247 831.70 for professional fees.

Tedcor claim against the Municipality demanding a payment to R2 312 393 for services rendered

Application to compel MM to give true copies and proper statements of account together with substantial documents/List of imposed issues, rates and taxes.

Application for Interdict and preparation of way leave Policy

Recovery of outstanding municipal accounts (Including assesment rates) for the sum of R125,988,317.06

Legal consideration and possible consultation of sale of Land Agreement and expropriation of land not development in compliance title deed conditions

Upgrading of Danville Stadium under contract number SLM/MLM110/04/2013//MIG/NW/1462/SP/12/13

Damages

Civil Claim - Termination of lease contracts of motor fleet, the matter is set down for application for leave to appeal

Property Loss/Damage cases

This is a civil litigation matter wherein Mr Gutta claim is that the Municipality was negligent in preventing fire to damage his property by failing to attend to emergency call in time and he alleges that the fire was caused by the Municipality's cleaning campaign which took place next to his property. His damages is to the amount of R2 235 379

This is a civil litigation matter against the Municipality wherein Galeboe Daniel Mogorosi is demanding payment of R63 401.40 for pothole

This is a civil litigation instituted by Mmamolefa Mirriam Leepile against the Municipality for an amount R 510 190.94 in respect of property damage.

This is a civil litigation matter against the Municipality wherein Violet Tshetlho is demanding payment of R24 618.74 for damage caused by pothole.

Claim by Andy Moliwa for damage against the municipality as the result of an accident alleged to have been caused by the municipal employee during scope of employment.

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37. Contingencies (Assets and Liabilities) (continued)

Malicious proceedings

Claim for unlawful and malicious false charges by members of the municipality traffic official and SAPS for R100 000

Others

Municipality to file an application against Hawks SAPS for the review the decision of the magistrate by granting the applicant authority to have access to municipal records without following proper procedure of the criminal procedure act

Emang Hawks Association lodged an urgent application against the municipality for illegal confiscation and possession of their trading equipment. Interim order was granted in their favour of the applicant by court. MLM lodge an application for rescission of judgement.

Application lodged by the applicant Mdlali Real Estate for granting permission to construct and approve Site Development Plan for Morena Mall at Portion 467 of Erf 9631, Ext 39

Application lodged by the applicant against the municipality for the payment by the municipality for the settlement amount of R447 102.50 relating to the termination of employment of Lindiwe Marjory Mahlangu who was employed as Director: Corporate Support Services

Application lodged by the applicant against the municipality for the unfair termination of employment as Director: Public Safety by the municipality

Applications lodged by Barolong Ra-Tshidi claiming unlawful dispossession of Mmabatho Town and Townlands JO 301 NW. Negotiations still ongoing with Khanyile: Attorney for the applicant who does not come into party.

Dispute over the municipal house rented to the family of Newson and possible eviction of property

Assist in the Implementation of SPLUMA and creation of Municipal Planning Tribunal

Review and Drafting Municipal Land Administration and Sale Policy

Interdict sought against the municipality

Respondent filed answering affidavit to the notice of motion

Applicant made an application at High Court to compel the municipality to issue a drivers licence to him despite that he failed the eye test. The municipality is defending the matter

Plaintiff Instituted civil claim against the municipality/municipal manager for defamation of character allegedly resulted in a meeting held at the municipality offices. Municipality is defending this matter.

Land Claims against Mahikeng Local Municipality

Establishment of ownership of land and procurement of township

Correction of deed records sent by error

Unspent portion of tranches paid to the Municipality in previous years

Labour Matter

Contingent Assets

Attorney was instructed to lodge an application for eviction order against the residents of Danville for illegal occupation of municipal land. Matter not yet filed at court; applicant affidavit drafted awaiting to be forwarded to the MM for signature.

Applications for eviction order against residents Mahikeng who unlawfully & illegally occupied the land which is still under restitution claim at the land commission

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37. Contingencies (Assets and Liabilities) (continued)

Municipality to file an application for an interdict against the unlawful occupiers of land 1317 Erf, Mahikeng acquired by Hawk-landing investment Pty Ltd pending finalization of criminal investigation by SAPS and SIU. Application for curvet.

Residents have unlawfully occupied land and continued to sporadically occupy land illegally. Municipality lodged an applicant for interdict to prevent further development on the land. Land in dispute not yet transferred into the municipality by Public Works. Case not yet registered with the registrar for case number allocation

Application for eviction order against the respondent for operating business in a municipal place in Danville, ERF 1457 Mafikeng. Letter of demand to vacate issued on the 04th April 2018 R50,000

Investigation regarding the escalation of the lease agreement, since it appears that, the tenants are only paying a flat rate lease rental amount and determine from the lease agreement whether such annual escalation was included in the terms and conditions, failing which negotiations should commence to amended the lease agreement to include the annual escalation and determine whether there was a regular payment in terms of the rental amount, the financial implications is R120,000

Councillors were overpaid for upper Limits by the municipality. Claim for recovery of over-payments. Some councilor paid & some acknowledge debt for amount erroneously paid. Arrangement made to re-pay the municipality.

38. Related parties

Relationships

Accounting Officer

IT Mokwena

Acting Chief Financial Officer

IJ Tswalle

Councillors

Cllr KB Diakanyo
Cllr P Nebe
Cllr Segoe
Cllr M Makolomakwa
Cllr B Ngobeni
Cllr N Monnapula
Cllr K Phetha
Cllr SJ Van Rooyen
Cllr T Motshabi
Cllr S Molefe
Cllr T Makolomakwa
Cllr GA Kwadibane

Key Management

Ms M Moloi-Tsae
Mrs KP Nyembe
Mr TJ Marumo
Mr T Masia
Mr AK Komane
Mr RE Groenewald

The Municipality has various processes in place to identify and note any related party transactions with regards to this matter. These range from disclosure by bidders on the bid documents (MB4) to maintenance of a conflict of interest register. For councillors, this is kept in the Office of the Speaker whilst for the other senior managers it is kept by the Corporate Services Directorate.

Remuneration of management and councillors

The compensation of key management personnel and councillors is set out in note 26 and 27 to the Annual Financial Statements

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39. Prior-year adjustments

The prior year has been amended to account for prior period errors.

Below is a summary of the total effect that the prior period errors, changes in accounting policies and reclassification of comparatives had on the amounts disclosed in the annual financial statements, followed by a description of each of the individual prior period error with the amounts involved.

Statement of financial position

2017

	As previously reported	Correction of error	Restated
Inventories	68,712,282	(305,230)	68,407,052
Receivables from non-exchange transactions	25,343,224	27,486,440	52,829,664
Consumer debtors from exchange transactions	74,999,166	71,996,616	146,995,327
Investment property	216,661,500	(57,640,000)	159,021,500
Property plant and equipment	1,261,564,746	4,103,655	1,265,668,401
Intangible assets	2,399,989	(1,129,486)	1,270,503
Payables from exchange transactions	(389,162,719)	(22,457,773)	(411,620,492)
Employee benefit obligation	(206,709,000)	(16,147,000)	(222,856,000)
Provisions	(105,567,030)	16,147,000	(89,420,030)
Financial liabilities - Loans	(14,317,869)	(230,529)	(14,548,398)
VAT payables	(22,850,680)	577,389	(22,273,290)
Accumulated surplus	(814,564,279)	(40,025,780)	(854,590,059)
Consumer deposits	(11,183,709)	5,152	(11,178,557)
	85,325,621	(17,619,546)	67,705,621

Statement of financial performance

2017

	As previously reported	Correction of error	Restated
Property Rates	182,200,516	982,036	183,182,552
Employee Cost	(267,958,510)	(97,043)	(268,055,553)
Depreciation and amortisation	(79,052,565)	(1,315,817)	(80,368,382)
Finance costs	(21,240,089)	(2,120,639)	(23,360,728)
Debt Impairment	(183,270,974)	98,500,566	(84,770,408)
Repairs and maintenance	(16,022,123)	(1,358,644)	(17,380,767)
Contracted services	(23,629,110)	(1,042,453)	(24,671,563)
General Expenses	(95,581,331)	(15,532,167)	(110,913,636)
Service charges	169,839,222	(253,815)	169,585,407
Fair value	19,061,120	(7,854,540)	11,206,580
Surplus for the year	(315,653,844)	69,907,484	(245,546,498)

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39. Prior-year adjustments (continued)

The following prior period errors adjustments occurred:

1. Inventories

Inventory - Consumables

Decrease due to the inventory balance as per the prior year final stock count not agreeing to the 2016/2017 annual financial statements. Adjustment is to correct the comparative balance to agree to the listing.

2. Receivables from non-exchange transactions/Fines/Property rates/Licenses and permits

Increase in assessment rates is due to the introduction of the Municipal Standard Chart of Accounts of which incorporates the opening balance, billing, collections and interest. The MSCOA system resulted in interest being applied to specific accounts and not presented as a separate balance from its core initiating sources which are billing specific accounts. The system introduced resulted in specific allocations within accounts of which results in better presentations of the state of accounts of the Municipality.

3. Consumer debtors from exchange transactions & Service Charges

Increase in service charges is due to the introduction of the Municipal Standard Chart of Accounts of which incorporates the opening balance, billing, collections and interest. The MSCOA system resulted in interest being applied to specific accounts and not presented as a separate balance from its core initiating sources which are billing specific accounts. The system introduced resulted in specific allocations within accounts of which results in better presentations of the state of accounts of the Municipality.

4. Investment property & Fair value adjustment

During the current financial year farms classified as investment property were verified to be owned by the Provincial and Other Local authorities and were derecognised from the accounting records as from the earliest practicable reporting date in accordance with GRAP 3. In addition, properties categorised as residential houses and vacant stands which were not initially recorded in the accounting records and qualified to be classified as investment property were recognised in the accounting records and the earliest reporting period account balances corrected accordingly in terms of GRAP 3.

5. Property plant and equipment

The change in the PPE balance was caused by the following:

- Supplier invoice recorded twice in the work in progress PAR in the 2016-17 financial year
- Correction of error: 2016/17 Invoices only received in 2017/18
- Correction of Error: 2016/17 retentions previously estimated
- Correction of error - Roads previously not recognised
- Adjusting plant and equipment that was over depreciated in the prior years

6. Intangible assets

During the year ended 30 June 2018, all computer software classified as intangible assets had their useful lives reassessed from 5 years to 10 years based on future expected usage. The related gain on reassessment was accounted for prospectively in terms of GRAP 3 and GRAP 31. The amortisation for the year is included under depreciation and amortisation in the statement of financial performance. The entity does not have any internally generated intangible assets and no indications of impairment were identified during the financial year.

7. Payable from exchange transaction

The following Prior Year Adjustment is as a result of unrecorded invoices for the 2016-17 Financial Year as per Exceptions 250 & 263, which resulted to the understatement of payables and understatement of expenditure.

8. Employee benefit obligation

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39. Prior-year adjustments (continued)

Difference due to reclassification of the balance between current and non current liabilities

9. Provisions

Long service awards was incorrectly classified under provision and it is considered as employee benefit obligation

10. Financial obligations- Loans

Increases due to recognition of prior period interest and agreeing the opening balances to the external confirmations

11. VAT

This increase is due to input VAT not claimed on invoices which were not recorded in the 2016-17 financial year

12. Accumulated Surplus

- Adjusting for additions that were incorrectly recorded in intangible assets in the prior year
- Derecognition of farms classified as investment property due to incorrect ownership.
- Recognition of additional investment property not initially recorded in Municipal records.
- Adjusting plant and equipment that was over depreciated in the prior years
- Reversal of previously recognised fair value gain on derecognised farms 2016-17.
- Derecognition of farms classified as investment property due to incorrect ownership and recognition of additional investment property not initially recorded in Municipal records.
- Fair Value Adjustment Reversal for the 2016-17 financial year
- Adjusting plant and equipment that was over depreciated in the prior years
- Correction - payments of loans for 2016/17 posted to accruals
- Correction - prior year period interest not recognised
- Correction - payments of loans for 2016/17 posted to accruals
- Supplier invoice recorded twice in the work in progress PAR in the 2016-17 financial year
- Correction of error: 2016/17 Invoices only received in 2017/18
- Correction of error: 2016/17 Retentions previously estimated
- Adjusting for long term and short term portion for LSA and PEMAL for the prior year
- 2016/17 Library Grant Receipts already recognised as Revenue incorrectly reflecting in the 2017/18 General Ledger
- Correction of error - Roads previously not recognised
- Correction of error: Reversal of Journal 960 of 2016/17
- Adjusting inventory to agree to the final listing as per the municipality final stock count
- Land transferred to new owner during the 2016-17 financial year but sold during the 2015-16 financial year and still not adjusted on the 2017-2018 system
- Accounting for the reassessment adjustment for the useful lives of intangible assets as at 1 July 2017 from 5 to 10 years.
- Prior Year Adjustment is as a result of unrecorded Invoices for the 2016-17 Financial Year as per Exceptions 250 & 263, which resulted to the understatement of payables and understatement of expenditure.

13. Consumer deposit

Adjusting the opening balance of consumer deposit to agree to the recalculated balancer

14. Financial liabilities - Loans

Adjusting for opening balance to agree to the confirmations as per DBSA and INCA.

15. Property Rates

Decrease was due to a correction of a period journal between the revenue and receivables control accounts. The journal effectively resulted in there being a variance between the assessment rates control account for the period and the amount stated in the annual financial statements. The reversed journal resulted in fair presentation of the opening and closing balance for property rates which effectively represented the current state of the Municipality's customer book.

16. Employee Cost

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39. Prior-year adjustments (continued)

This is as a result of employee cost expenses that were not recorded in the prior year

17. Depreciation and amortisation

Correction of property plant and equipment and amortisation calculated incorrectly in the prior year as a result of the note 5 and note 6

18. Finance costs

The increase relates to the interest of R1 759 833.68 relating to the loan from Inca as well as R360 805.16 relating to the loan from DBSA not recognised in prior period

19. Debt Impairment

Decrease in debt impairment is due to the introduction of the MSCOA chart of accounts which resulted in a review of other consumer debtors. The review resulted in a downward reassessment of the impairment of other debtors culminating in the stated decline in the impairment expense for the year. The interest previously fully allocated to other consumer debtors was shared between receivables from non-exchange and consumer debtors based on system reports.

20. Repairs and maintenance

The Increase relates to invoices not recorded in the 2016-17 Financial year. R1 358 643.58

21. Contracted services

The increase relates to invoices not recorded in the 2016-17 Financial year, Call Centre R1 038 860.07 & Security R1 796.22 & R1 796.22

22. General Expenses

Prior Year Adjustment is as a result of unrecorded Invoices for the 2016-17 Financial Year as per Exceptions 250 & 263, which resulted to the understatement of payables and understatement of expenditure.

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40. Risk management

Financial risk management

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40. Risk management (continued)

The municipality's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Financial Risk Management Objectives

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

The municipality's Finance department provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the municipality through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Department of Finance monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Risk management policies and systems are reviewed regularly to reflect changes to market conditions and the municipality's activities, and compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit function.

Significant Risks

It is the policy of the municipality to disclose information that enables the user of its Annual Financial Statements to evaluate the nature and extent of risks arising from Financial Instruments to which the municipality is exposed on the reporting date.

The municipality has exposure to the following risks from its operations in Financial Instruments:

Credit Risk;
Liquidity Risk; and
Market Risk

Risks and exposures are disclosed as follows:

Market Risk

The municipality's activities expose it primarily to the financial risks of changes in interest rates. No formal policy exists to hedge volatilities in the interest rate market.

Credit Risk

Credit Risk is the risk of financial loss to the municipality if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations and arises principally from the municipality's receivables from customers and investment securities.

Liquidity

Liquidity Risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation.

Liquidity Risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash

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40. Risk management (continued)

flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timeous basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

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40. Risk management (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has a sound credit control and debt collection policy. The municipality uses its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored regularly.

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40. Risk management (continued)

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by management.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Investments/Bank, Cash and Cash Equivalents

The municipality limits its counterparty exposures from its short-term investments (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions short term credit rating of BBB and long-term credit rating of AA- and higher at an International accredited credit rating agency. The municipality's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst different types of approved investments and institutions, in accordance with its investment policy. Consequently, the municipality is not exposed to any significant credit risk.

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction / exposure limits, which are included in the municipality's Investment Policy. These limits are reviewed annually by the Chief Financial Officer and authorised by the Council.

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with Absa Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

Trade and Other Receivables

Trade and Other Receivables are amounts owed by consumers and are presented net of impairment losses. The municipality has a credit risk policy in place and the exposure to credit risk is monitored on an on-going basis. The municipality is compelled in terms of its constitutional mandate to provide all its residents with basic minimum services without recourse to an assessment of creditworthiness. Subsequently, the municipality has no control over the approval of new customers who acquire properties in the designated municipal area and consequently incur debt for rates, water services rendered to them.

Trade Receivables consist of a large number of customers. Periodic credit evaluation is performed on the financial condition of accounts receivable. Consumer debtors are presented net of a provision for impairment.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy. At this stage the municipality only partially implements its credit control policy as there is no hand over of debtors.

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The municipality's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of trade and other receivables.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The municipality defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Financial assets exposed to credit risk at year end were as follows:

Financial Instrument	2018	2017
Receivables from exchange transactions	10,915,630	7,400,895
Receivables from non-exchange transactions	32,575,439	52,829,664

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40. Risk management (continued)		
Consumer Debtors	234,557,455	146,995,327
Cash and cash equivalent	10,331,939	1,084,573

Market risk

Interest rate risk

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest charges.

Financial Assets and Liabilities that are sensitive to interest risk are cash and cash equivalents, investments, and loan payables. The municipality is not exposed to interest rate risk on these financial instruments as the rates applicable are fixed interest rate.

Potential concentration of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well established financial institutions of high credit standing. No investment with a tenure exceeding twelve months are made.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with ABSA Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

Receivables comprise a widespread customer base. Consumer debtors are presented net of a provision for impairment.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "demand for payment", "restriction of services", and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy at this stage the municipality only partially implement its credit control policy as there is no hand over of debtors.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to interest rate risk as the municipality borrows funds at fixed interest rates.

Price risk

The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.

41. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Although the Municipality had an accumulated surplus of R 695,530,220, we draw attention to the fact that at June 30, 2018 the Municipality has a deficit of (R 9,428,133) (2017: 7,033,781) and its current liabilities exceed its current assets by R 371,673,628

The ability of the Municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the Accounting Officer continues to procure funding for the ongoing operations for the Municipality and raise and collect revenue for services rendered. The Municipality has implemented strict measures enforced on all debtors who default on their accounts, this will be done in line with Council Policy on Debt Collection and Credit Control. It is envisaged that this measures will assist in improving the collection rate of the municipality.

During the financial year the Municipality invested a total amount of R 83 440 312 in a VBS MUTUAL BANK. The Minister of Finance, upon recommendation by the Registrar of Banks, decided to place VBS Mutual Bank under curatorship with effect from Sunday 11 March 2018. The placement of VBS under curatorship was objective evidence that the investment should be assessed for impairment.

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41. Going concern (continued)

Given the possibility that the full value of investments in VBS Mutual Bank would not be realised, subsequent measurement of the investment was amended.

Management decided to impair the investment as at 30 June 2018.

The investments has led to a worse current ratio as the current liabilities exceed the current assets of the municipality

42. Events after the reporting date

Finance Lease (Right of Use Assets)

The Municipality leases a fleet of vehicles and machinery termed the yellow and white fleet. The yellow fleet is under a 36 month finance lease agreement expiring in December 2018. Upon expiry of the lease term, ownership of the yellow fleet passes to the Municipality in terms on the lease agreement. On 20 September 2018, the lessor repossessed the entire yellow and white fleet due to a dispute relating to defaulting on monthly lease payments. As a result of the dispute and the repossession, the matter has been referred to the courts.

43. Unauthorised expenditure

Unauthorised expenditure	775,760,761	577,214,249
Current year movement	107,578,729	198,546,512
	883,339,490	775,760,761

Unauthorised expenditure for the current year and prior year relates to the following expenditure votes to over spending on operational expenditure votes.

Movements in unauthorised expenditure	107,578,729	198,546,512
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44. Fruitless and wasteful expenditure

Opening balance	9,064,790	7,532,204
Current year movement	2,397,200	1,532,586
	11,461,990	9,064,790

Details of incidents occurred

Interest charged on overdue account	1,492,723	48,773
Interest on loan	15,052	30,638
Penalties charged	889,425	635,061
	2,397,200	714,472

Expenditure incurred during the year from interest paid on overdue accounts and penalties charged for non-compliance with statutory requirements. The matters are currently under investigation, no disciplinary steps taken to date.

45. Irregular expenditure

Opening balance	683,782,768	520,551,483
Prior year correction	-	57,077,734
Add: Irregular Expenditure - current year	119,323,280	106,153,551
	803,106,048	683,782,768

Analysis of expenditure awaiting condonation per age classification

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45. Irregular expenditure (continued)

Details of irregular expenditure – current year

	Disciplinary steps taken/criminal proceedings	
Tax and other SCM compliance matters	Currently being investigated-No action taken	131,326,908
Procurement process not followed	Currently being investigated-No action taken	13,563,380
Limitation on SCM Compliance	Currently being investigated-No action taken	153,454
		145,043,742

Details of irregular expenditure – prior year

	Condoned by (condoning authority)	
Tax and other SCM compliance matters	Currently being investigated-No action taken	82,416,251
Procurement process not followed	Currently being investigated-No action taken	23,500,547
Limitation on SCM Compliance	Currently being investigated-No action taken	236,753
Prior year correction	Currently being investigated-No action taken	57,077,734
		163,231,285

46. Additional disclosure In terms of Municipal Finance Management Act

Skills Development Levy

Amount paid - current year	2,014,223	2,097,484
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Water Losses

Opening balance (Units purchased)	12,873,648	11,229,722
Current year subscription / fee (Units Billed)	(11,220,699)	(8,811,411)
Units lost in distribution revenue	1,652,949	2,418,311
Quantity (Units lost In distribution)	1,852,949	2,418,311
Annual Average cost of Purchased Units	7.53	7
Monetary Loss in distribution	12,446,698	16,928,177
	13	22

The municipality purchases water from local water service authority and sells to its residents. During the current year the municipality bought 12 873 648 kilolitres (2017: 11 229 722), sold 11 220 699 kilolitres (2017: 8 811 411) and this resulted in water losses of 1 652 949 (2017: 2 418 311) and percentage loss of 13% (2017: 22%). The losses are attributable to unmetered consumptions especially low cost housing development, illegal connections and burst pipes not timeously attended to.

Audit fees

Opening balance	62,219	66
Current year subscription / fee	4,605,183	4,206,382
Amount paid - current year	(319,661)	(4,144,229)
	4,347,741	62,219

PAYE and UIF

Opening balance	2,367,078	2,367,078
Current year subscription / fee	35,989,081	34,374,405
Amount paid - current year	(35,989,081)	(34,374,405)
	2,367,078	2,367,078

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
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46. Additional disclosure in terms of Municipal Finance Management Act (continued)

Pension and Medical Aid Deductions

Opening balance	2,183,666	2,194,136
Current year subscription / fee	38,624,477	55,848,404
Amount paid - current year	(38,624,477)	(55,858,874)
	2,183,666	2,183,666

VAT

VAT payable	21,908,116	22,273,290
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The VAT 201 is submitted monthly on a cash basis.

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June, 2018:

30 June, 2018	Outstanding less than 90 days	Outstanding more than 90 days	Total
Councillor Diakanyo KB	102	-	102
Councillor Modisenya MP	-	2	2
Councillor Motshabi T	2,918	1,916	4,834
Councillor Motau NJ	8,215	5,688	13,903
Councillor Van Rooye SJ	23,414	2,529	25,943
	34,649	10,135	44,784

30 June, 2017	Outstanding less than 90 days	Outstanding more than 90 days	Total
Councillor Diakanyo KB	543	-	543
Councillor Tabane PM	1,634	8,500	10,134
	2,177	8,500	10,677

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

SALGA Subscription

Subscription paid	2,587,890	2,269,650
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Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
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47. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officer and includes a note to the financial statements.

Buses and gym equipment were procured during the financial year under review and the process followed in procuring those goods deviated from the provisions of paragraph 12(1)(d)(i) as stated above. The reasons for these deviations were documented and reported to the accounting officer who considered them and subsequently approved the deviation from the normal supply chain management regulations.

Procurement transactions

	2018
1. Emergency Procurement	683 464
2. Sole provider	1 416 061
3. Acquisition	-
4. Impractical or impossible to follow official procurement process	1 825 296

48. Budget differences

Material differences between budget and actual amounts

A variance of 10% of more or a variance of (10%) or less is considered to be a material variance.

Reasons for material differences between actual and budget figures are explained below:

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
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48. Budget differences (continued)

Revenue from exchange transactions

47.1 Rental of facilities and equipment and Service charges

Rental of facilities and equipment is dependent on demand from the Municipality's customers. The Municipality exercises ownership over fixed and movable assets for which it rents out to the general public. As the Municipality executes its mandate in a rural area of which through the budget process an anticipation that such rural communities would seek to use services of the Municipality but is subject demand. The current period such demand was excessively budgeted for resulting in the noted variances between actual and budgeted figures. For the Services charges the municipality anticipated to receive more revenue on service charges by implementing strict collection measures but due to this was not achieved therefore what the municipality budgeted was more than what was received.

47.2 Fees earned

The municipality had planned to earn revenue from other income streams such as sale of tender documents, agency fees and advertising. However during the year the municipality could not achieve this objective due to lesser demand by the customers for the services.

47.3 Donations received

Donations are not budgeted for as they represent amounts and goods from external related or unrelated party which hold absolute discretion of intention to donate goods or services to the Municipality.

47.4 Other income

The unbudgeted amount consisted mainly of external recoveries related to human resource management payments to external suppliers. The recoveries are not at the discretion of the Municipality and are behind the budget processes of the Municipality.

47.5 Interest received

An anticipated increase in the base revenue drivers which consist of water, waste water management (sewerage) and water management (refuse) and assessment rates (property rates) continuously correlates with revenue expected from interest. As noted in the notes for service charges and property rates in 48.1 and 48.6 upward movements result in increased interest revenue of which a downward actual also results in downward movement or a decreased billing. Rebates and effects of indigent customers also impacted also in the below budget outcome.

Revenue from non-exchange transactions

47.6 Fines, Penalties and Forfeits

Fines, penalties and forfeits are offender driven and the Municipality usually anticipates increased offenders during festive seasons and during event driven periods. As this is offender driven and the Municipality has minimal resolves to instigate the upward movement of fines, penalties and forfeits, the variance between the budgeted and actual will mostly have significant variances.

Expenditure

47.7 Personnel

The difference is due to the increase in the post employment defined benefit obligations at year end as calculated by the actuaries

47.8 Depreciation and amortisation

The municipality had anticipated to complete more work in progress projects during the period. New items of property, plant and equipment were also planned to be purchased but financial constraints put the plans on hold. Due to the fact that a lesser number of projects were completed and capitalised and no new items were purchased, depreciation charge was therefore

Mahikeng Local Municipality

Financial Statements for the year ended 30 June, 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
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48. Budget differences (continued)

lesser than the budget

47.8 Impairment loss

The municipality raised a provision of impairment for the short investment held with VBS Mutual Bank due to the risk of uncollectability poised when the bank was put under the curatorship. The event was not anticipated at the beginning of the period

47.9 Finance costs

The municipality had anticipated to keep up with financial liabilities obligations as they become due. However the financial constraints resulting from no collection from VBS Mutual Bank of investment resulted in municipality defaulting on finance lease and loans instalments thereby suffering additional interest charges than budgeted for

47.10 Lease rental on operating lease

The budget for the operating lease rental expense was made under the finance lease in total as both leases were from Kwame Capital. A split between finance and operating lease was not made during the budgeting period

47.11 Debt Impairment

The municipality had put strict collection methods to recover debts due to them from the debtors. A new valuation roll in place resulted in more debtors for the municipality and difficulties in collections, resulting in more debt having to be impaired.

47.12 Repairs and maintenance

The more reliant on old items of property, plant and equipment (see under depreciation variance) meant the municipality had to continue using old assets which required regular repairs and maintenance costs

47.14 Bulk purchases

The municipality has planned to cut on distribution losses and demand on water. However the new valuation roll and increase in indigents meant more kilolitres had to be purchased from Sedibeng Water to meet the increased demand

The municipality had to provide more water during the year to more people in the villages under the jurisdiction of the municipality resulting in more kilo litres being needed

47.15 Contracted services

Cost containment measures as a result of cash flow problems (R83 440 312 held in VBS Mutual Bank and not returned) meant the municipality utilised lesser number of contractors.

47.16 Transfers and subsidies

The financial constraints suffered by the municipality meant no spending could be made on the transfers and subsidies

47.17 General Expenses

Cost containment measures put in place by the municipalities resulted in reduction of the expenditure.

CHAPTER 6 AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS

6.1 AUDITOR GENERAL REPORTS 2016/17

The Mahikeng Local Municipality received a Qualified of opinion for 2016/17 financial year.

COMPONENT B: AUDITOR-GENERAL OPINION 2017/18


6.2 AUDITOR GENERAL REPORT 2017/18

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2017/18

The Office of the Auditor General of South Africa audited the Mahikeng Local Municipality Annual Financial Statements and issued a disclaimer opinion audit report.

MFMA SECTION 71 RESPONSIBILITIES

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

 Dated 29/01/2019
MS. TSHEPISO MODISA
ACTING CHIEF FINANCIAL OFFICER



AUDITOR GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the auditor-general to the North West provincial legislature and the council on the Mahikeng Local Municipality

Report on the audit of the financial statements

Disclaimer of opinion

1. I was engaged to audit the financial statements of the Mahikeng Local Municipality set out on pages 285 to 364, which comprise of the statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. I do not express an opinion on the financial statements of the municipality. Because of the significance of the matters described in the basis for disclaimer of opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

Receivables from exchange transactions

3. I was unable to obtain sufficient appropriate audit evidence for receivables from exchange transactions as the municipality did not have an adequate system of internal control and did not keep adequate records. I was unable to confirm these receivables by alternative means. Consequently, I was unable to determine whether any adjustment to receivables from exchange transactions of R10 915 630 (2017: R7 400 895) as disclosed in note 8 to the financial statements was necessary.

Property, plant and equipment

4. I was unable to obtain sufficient appropriate audit evidence that all roads were accounted for as the municipality did not have adequate systems to identify and record the roads network. I was unable to confirm these assets by alternative means. Consequently, I was unable to determine whether any adjustment to the roads network assets of R630 364 555 (2017: R637 214 951) included in property, plant and equipment as disclosed in note 4 to the financial statements was necessary.

Payables from exchange transactions

5. I was unable to obtain sufficient appropriate audit evidence for payables from exchange transactions due to the absence of creditors' reconciliations, payable listings and an unexplained difference between the general ledger and the financial statements emanating from the prior year. I was unable to confirm these payables by alternative means. Consequently, I was unable to determine whether any adjustment to payables from exchange transactions of R608 603 004 (2017: R411 620 492) as disclosed in note 16 to the financial statements was necessary.

Value added tax (VAT) payable

6. I was unable to obtain sufficient appropriate audit evidence for the VAT payable due to an unreconciled difference between the general ledger and the financial statements as well as the



incorrect VAT percentage being used in recording of expenditure transactions. I was unable to confirm the VAT payable by alternative means. Consequently, I was unable to determine whether any adjustment to the VAT payable of R21 908 116 (2017: R22 273 290) as disclosed in note 17 to the financial statements was necessary.

Cash and cash equivalents

7. The municipality did not correctly record expenditure and revenue transactions as required by GRAP 1, *Presentation of financial statements* due to long outstanding reconciling items not cleared from the cash book to the correct financial statement line items. I was unable to determine the full extent of the misstatement on cash and cash equivalents of R10 331 939 and the bank overdraft of R34 487 402 disclosed in note 11 to the financial statements or any related impact on other financial statement items as it was impractical to do so.

Service charges

8. The municipality did not account for all revenue from water sales, refuse removal and sewerage charges in accordance with GRAP 9, *Revenue from exchange transactions* as the municipality did not maintain adequate records of the services rendered. I was unable to determine the full extent of the misstatement on service charges of R233 242 797 (2017: R169 585 407) as disclosed in note 20 to the financial statements, consumer debtors from exchange transactions of R234 557 455 (2017: R146 995 327) as disclosed in note 10 to the financial statements or the resultant impact on the deficit for the period and the accumulated surplus as it was impracticable to do so.

Expenditure

9. During 2017, the municipality did not correctly record expenditure as required by GRAP 1, *Presentation of financial statements* as the municipality did not have adequate systems to record expenditure for goods and services. Consequently, payables from exchange transactions was understated by R17 804 683, general expenses were understated by R8 600 085, contracted services were understated by R12 124 618, repairs and maintenance were overstated by R9 343 062, property, plant and equipment was understated by R6 906 009, lease rentals on operating leases was overstated by R3 062 136 and the VAT payable was understated by R2 579 169. Additionally, there was a resultant impact on the deficit for the period and the accumulated surplus. My opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures.

Interest received (trading)

10. During 2017, I was unable to obtain sufficient appropriate audit evidence for interest on arrear debtors due to an unreconciled difference between the sub-ledger and the financial statements. Consequently, I was unable to determine whether any adjustment to revenue for interest received (trading) of R73 157 225 in the statement of financial performance and the related consumer debtors disclosed in note 10 to the financial statements were necessary. I was still unable to confirm this interest by alternate means. Consequently, my opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures.

Accumulated surplus

11. I was unable to obtain sufficient appropriate audit evidence for adjustments to the accumulated surplus due to the lack of proper substantiating accounting records. I was unable to confirm these adjustments by alternative means. Consequently, I was unable to determine whether any adjustment relating to the accumulated surplus of R695 530 220 (2017: R836 970 059) in the financial statements was necessary.



Unauthorised expenditure

12. I was unable to obtain sufficient appropriate audit evidence that management had properly disclosed unauthorised expenditure due to the municipality not having an adequate system to monitor and detect unauthorised expenditure. I was unable to confirm unauthorised expenditure by alternative means. Consequently, I was unable to determine whether any adjustment to unauthorised expenditure of R883 339 490 as disclosed in note 43 to the financial statements was necessary.

Irregular expenditure

13. Section 125 of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) requires the disclosure of irregular expenditure incurred. The municipality made payments in the current and previous years in contravention with the supply chain management (SCM) requirements that were not included in the irregular expenditure disclosed. As the municipality did not quantify the full extent of the irregular expenditure, it was impracticable to determine the resultant understatement of irregular expenditure of R828 826 509 as disclosed in note 45 to the financial statements.

Prior period errors

14. I was unable to obtain sufficient appropriate audit evidence for the prior-year adjustments to correct prior period errors, as the supporting information for these corrections was not provided. I was unable to confirm these disclosures by alternative means. Consequently, I was unable to determine whether any adjustment to the disclosure of prior-year adjustments in note 39 to the financial statements was necessary.

Contingent liabilities

15. I was unable to obtain sufficient appropriate audit evidence that management had properly accounted for contingencies due to the status of accounting records and the non-submission of information in support of these contingencies. I was unable to confirm these disclosures by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to contingencies of R41 377 738 as disclosed in note 37 to the financial statements.

Material uncertainty relating to going concern

16. Note 41 to the financial statements indicates that the municipality experienced difficulties in settling its current liabilities as the current liabilities exceed the current assets by R371 673 628 and that the municipality incurred a deficit of R21 795 733. These conditions, along with other matters as set forth in note 41, indicate the existence of a material uncertainty that may cast significant doubt on the municipality's ability to operate as a going concern. My opinion is not modified in respect of this matter.

Emphasis of matters

17. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Fruitless and wasteful expenditure

18. As disclosed in note 44 to the financial statements, fruitless and wasteful expenditure of R2 397 200 was incurred in the year under review and fruitless and wasteful expenditure of R9 064 790 from previous years had not yet been dealt with in accordance with section 32 of the MFMA.

Material losses

19. As disclosed in note 46 to the financial statements, the municipality incurred material water losses of R12 446 698 (2017: R16 928 177).



Material impairment

20. As disclosed in note 11 to the financial statements, the municipality incurred a material impairment loss of R83 440 312 on a short term investment with VBS mutual bank.

Other matter

21. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

22. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

Responsibilities of accounting officer for the financial statements

23. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and the requirements of the MFMA and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
24. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

25. My responsibility is to conduct an audit of the financial statements in accordance with International Standards on Auditing (ISAs) and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.
26. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit of the financial statements. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

Report on the audit of the annual performance report

Introduction and scope

27. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
28. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be

included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

29. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2018:

Development priorities	Pages in the annual performance report
KPA 5 Basic service delivery and infrastructure investment	229 – 250

30. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
31. The material findings in respect of the usefulness and reliability of the selected development priority are as follows:

KPA5 Basic service delivery and infrastructure investment

Various indicators: Reported achievements not supported by sufficient audit evidence

32. I was unable to obtain sufficient appropriate audit evidence for the reported achievements of the indicators listed below. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements.

Indicator	Reported achievement
Number of illegal dumping spots cleaned	66
Number of new boreholes constructed	11
Number of funerals in rural wards provided with free basic water	1 517

Various indicators: Reported achievements did not agree with evidence provided and not supported by sufficient appropriate evidence

33. The municipality did not have an adequate performance management system to maintain records that enable reliable reporting on achievement of targets for the following indicators. Sufficient audit evidence could not be provided in some instances while in other cases the supporting evidence provided did not agree to the reported achievement. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements.

Indicator	Reported achievement	Audited value
Number of water metres replaced	1 618 water metres replaced	2 217 water metres replaced
Number of boreholes maintained	79 boreholes maintained	158 boreholes maintained
213 indigent households with access to free basic water by 30 June 2018	3 282 indigent households with access to free basic water	2 431 indigent households with access to free basic water
213 indigent households with access to free basic sanitation by	3 282 indigent households with access to free basic	1 824 indigent households



30 June 2018	sanitation	with access to free basic sanitation
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Various indicators: Reported achievements did not agree with evidence provided

34. The reported achievement for the following indicators were misstated as the evidence provided did not agree with the reported achievement:

Indicator	Reported achievement	Audited value
Number of kilometres of tar road constructed in Ward 30 (Multiyear project 2015-16 & 2017-18)	1,3 kilometres	0 kilometres
Number of kilometres of surfaced roads patched and resealed	10,61509 kilometres	12,65 kilometres

Number of new households with basic electricity connections from Eskom

35. The target was approved in the service delivery and budget implementation plan as number of Infills (428) and households (1 706) with basic electricity connections. However, the target achievement was inconsistently reported in the annual performance report as 2 191 households with basic electricity connections, without the split of number inflills and household electricity connections.

Other matters

36. I draw attention to the matters below.

Achievement of planned targets

37. Refer to the annual performance report on pages 229 to 250 for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 32 to 35 of this report.

Adjustment of material misstatements

38. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information from the development priority for KPA 5 Basic service delivery and infrastructure investment. As management subsequently corrected only some of the misstatements, I reported material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

39. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
40. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements and annual report

41. The financial statements submitted for auditing were not in all material respects prepared in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, liabilities, revenue, expenditure and disclosure items



identified by the auditors in the submitted financial statements were subsequently corrected but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a disclaimer of audit opinion.

42. The oversight report adopted by the council on the 2016-17 annual report was not made public, as required by section 129(3) of the MFMA.

Expenditure management

43. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
44. An adequate management, accounting and information system which recognised expenditure when it was incurred and accounted for creditors and payments made was not in place as required by section 65(2)(b) of the MFMA.
45. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by not following a competitive bidding process as required by SCM regulation 19(a).
46. Reasonable steps were not taken to prevent fruitless and wasteful expenditure of R424 536, as disclosed in note 44 to the financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties on late payments to suppliers.
47. I was unable to obtain sufficient appropriate audit evidence that reasonable steps were taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the unauthorised expenditure could not be quantified as indicated in the basis for qualification paragraph.

Revenue management

48. An adequate management, accounting and information system which accounts for revenue and debtors was not in place, as required by section 64(2)(e) of the MFMA.
49. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.
50. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.

Asset management

51. An adequate management, accounting and information system which accounts for assets was not in place, as required by section 63(2)(a) of the MFMA.
52. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.
53. All investments were not made in accordance with the requirements of the investment policy, as required by regulation 3(3) of the Municipal Investment Regulations.
54. Funds were invested at VBS Mutual Bank, in contravention of regulation 6 of the Municipal Investment Regulations.

Liability management

55. An adequate management, accounting and information system which accounts for liabilities was not in place, as required by section 63(2)(a) of the MFMA.
56. An effective system of internal control for liabilities was not in place, as required by section 63(2)(c) of the MFMA.



Consequence management

57. Unauthorised, irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) and (b) of the MFMA.

Human resource management

58. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA).

Procurement and contract management

59. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulation 17(a) and (c). Similar non-compliance was also reported in the prior year.
60. Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).
61. Awards were made to providers who were in the service of other state institutions, in contravention of section 112(j) of the MFMA and SCM regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM regulation 38(1).
62. Some of the quotations were accepted from bidders whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43.
63. Goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Similar non-compliance was also reported in the prior year.
64. The preference point system was not applied in the procurement of goods and services above R30 000 as required by section 2(a) of the Preferential Procurement Policy Framework Act. Similar non-compliance was also reported in the prior year.
65. Sufficient appropriate audit evidence could not be obtained that contracts were awarded to bidders through a competitive bidding processes that were adjudicated by the bid adjudication as required by SCM regulations 21(b) and 28(1)(a) and the Preferential Procurement Regulations.
66. Sufficient appropriate audit evidence could not be obtained that invitations for competitive bidding were advertised for a required minimum period of days, as required by SCM regulation 22(1) and 22(2).

Other information

67. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which include, the audit committee's report. The other information does not include the financial statements, the auditor's report thereon and those selected development priorities presented in the annual performance report that have been specifically reported on in the auditor's report.
68. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
69. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.



70. As a result of the disclaimer of opinion expressed on the financial statements, I do not conclude on material inconsistency of the other information relating to the financial statements. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

71. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for disclaimer of opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
- Leadership did not provide adequate oversight and monitoring of the control environment, financial performance, implementation of consequence management over recurring SCM transgressions and the implementation of post audit action plan. This resulted in the weak financial viability and recurrence of material findings over financial and performance information and compliance with laws and regulations.
 - The accounting officer did not ensure that adequate monitoring controls were implemented to ensure that reliable financial and performance reports were collated throughout the year as part of his periodic reporting responsibilities. Regular, accurate and complete financial reports that are supported and evidenced by reliable information were not properly prepared. Furthermore, management did not adequately review and monitor compliance with applicable legislation. The municipality did not have the requisite skills and capacity required to implement the policies and procedures and are reliant on consultants to prepare financial statements. The information technology unit was not fully functional during the period.
 - The risks identified during the risk assessment process relating to financial and performance reporting and compliance with legislation were not adequately monitored. Internal audit plan did not cover all significant risk areas of the municipality and the plan was not fully implemented. The audit committee did not effectively monitor post audit action plan and the implementation of the internal audit plan to address the previous year's audit findings, resulting in weaknesses in the internal control environment.

Other reports

72. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

73. An investigation undertaken by the Hawks was prompted by the previous municipal manager on the alleged irregular sale of property to an external party without following the correct disposal processes. The investigation was still in progress at the reporting date.
74. Municipal council instigated investigation by an independent law firm, into the alleged financial misconduct, maladministration, fraud and corruption against the suspended municipal manager. The investigation was still in progress at the reporting date.



Auditor-General

Rustenburg

30 November 2018



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



**MAHIKENG LOCAL MUNICIPALITY
NORTH WEST PROVINCE
Post Audit Action Plan 2018-19**

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor (SAI))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Unauthorised, Irregular, Fruitless and Wasteful Expenditure	[4] Ex 4. Tax compliance - Irregular expenditure	During the audit of procurement and contract management, it was noted that Baks Media and Entertainment was not tax compliant at the date of awarding the contract. Supplier: Baks Media and Entertainment. When the contract was awarded the supplier was not tax compliant.	Management did not enforce controls to monitor the compliance with laws and regulations due to lack of accountability and consequences.	Supply Chain Management	Mr O Xhumu (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all the minimum documents prescribed by SCM policies and regulations are filed together for effective retrieval during audits. 2. The tender register to be reviewed against the tender documents weekly by the SCM departmental head to ensure all prescribed SCM minimum information has been attached to file. Follow ups should be performed without delay on all non-compliance cases. 3. The following documents should be contained in the tender files as a minimum: All Quotations	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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2	Outstanding	Information Technology	[9] Ex 7 - Internal control deficiency - ICT controls	No processes in place to ensure that users' access and privileges on all financial systems were periodically reviewed to confirm that such access and privileges are still commensurate with their job responsibilities No processes in place for the Independent reviews of activities of the person responsible for granting users access to the network, application systems and performance reporting systems. No proof of the review of	Management's failure to ensure that the ICT division within the municipality is well capacitated and proper controls are implemented to ensure efficient and effective ICT division.	Information Technology	IT Manager IT Staff	Review and amend the IT security policy to ensure the following matters are fully addressed: • Security awareness and training; • Enforcement procedures; • Evidence of, or requirement for reviewing the policies, should there be changes in the environment / or based on the change in the level of risk of the entity; • Security of the application by the use of antivirus software; • A process to ensure that updates of all systems are up to date (i.e. patch management process); • Password and authentication	3 Months	Thursday, 03 January 2019	Wednesday, 03 April 2019	-	Bi-Weekly	-	-

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3	Outstanding	Commitments	[5] Ex 18, Commitments: Prior period adjustment not disclosed under note 35	An adjustment amount of R17 128 143 was not disclosed in the financial statements under disclose note 35 of commitments.	An adjustment amount of R17 128 143 was not disclosed in the financial statements under disclose note 35 of commitments.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist to be used to aid in determining the completeness of disclosure notes in the annual financial statements. 3. Procedures (1) and (2) above	1 Week	Friday 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
4	Outstanding	Government Grants and Subsidies	[5] Ex-19_Conditional grants and receipts: Accounting policy not disclosed on the annual financial statements	Conditional grants and receipts accounting policy not disclosed in the annual financial statements.	Management oversight in preparation of the Annual Financial Statement.	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist to be used to aid in determining the completeness of disclosure notes in the annual financial statements. 3. Procedures (1) and (2) above must be performed by a highly experienced and qualified official in GRAP financial reporting.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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5	Outstanding	Value Added Tax	[8] Ex-30 VAT payable-Difference between amounts as per AFS and TB	During the audit of VAT payable the differences were between the trial balance and financial statements	Management did not exercise oversight regarding financial and performance reporting and compliance and related internal controls	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Prepare a VAT reconciliation statement between the General Ledger/TB and the VAT 201 on a monthly basis. Investigate any differences noted and rectify accordingly. 2. A qualified delegated official to review the VAT reconciliation statement and follow up on any misstatements identified. 3. Documented records of procedures (1) and (2) above to be filed in the audit file for internal management and AGSA regulatory audit purposes.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
6	Outstanding	Provisions	[9] Ex-43 Provisions: Prior year opening balance for long service award is incorrectly disclosed	Prior year opening balance for long service award is incorrectly disclosed in the AFS. As per the adjusted AFS, the opening balance should be R16 296 147 and not	The financial statements and other information to be included in the annual report are not reviewed for completeness and accuracy prior to submission for audit.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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7	Outstanding	Revenue	[9] Ex 45_None submission of requested information	Indigent applications forms could not be provided to the AGSA for audit due to the pre-identified and pre-approved indigent households' process, there were no application forms required for the outstanding indigent debtors as requested by the Auditor General (SA)	Council amended the Indigent Management Policy specifically chapter 1 part 12 – Qualifying criteria during 2016-17 to permit pre-identification and approval of indigent households. Hence, due to the pre-identified and pre-approved indigent households' process, there were no application forms.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	2. The GRAP disclosure checklist to be used to aid in determining the completeness of disclosure notes in the annual financial statements. 3. Procedures (1) and (2) above must be performed by a highly experienced and qualified official in GRAP financial reporting. 1. A records management policy to be prepared that includes all municipal activities that require document processing. The policy should be approved by council and immediately implemented thereafter. 2. Standard Operating Procedures regarding document filing to be prepared and implemented in line with the records management	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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					1. Inadequate records management system were the internal control activities related to the system are either not implemented correctly or are not present at all. 2. Lack of senior management involvement in monitoring and reviewing the records management system activities. 3. No risk management activities in place.			policy. Internal audit or a delegated official to review and monitor the implementation of the records management policy. 3. The details of the records management policy and related standard operating procedures to be fully communicated on a regular basis to all municipal personnel with documentation related tasks. 4. The internal audit unit (or any other delegated official) to perform detailed reviews on the implementation of the policy and SOPs and reported to the accounting officer and chief financial officer monthly.							

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8	Outstanding	Immovable Assets	[10] Ex 47_Roads - Completeness	Not all the roads are recorded on the asset register.	Insufficient controls implemented when recognising roads in the asset register due to unclear powers and functions between the local and district municipality.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Detailed reconciliation statements to be performed at least twice a year between the accounting records (immovable asset register) and the capital projects files (including contract register) to ensure that all completed capital projects are correctly reported in the accounting records and annual financial statements. 2. The contract register to be updated quarterly on the progress of capital and operational projects. 3. Internal audit or a qualified delegated official to review procedures (1) and (2) above and report any deviations to the chief financial officer for corrective action.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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9	Outstanding	All Components	[37] Ex 63_Limit action. No supporting documents provided for prior year's misstatements	No supporting documents provided for prior year's misstatements	Management did not ensure that information requested for audit purpose is submitted as per agreed timelines.	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	Audit steering committee must ensure on a daily basis that information requested for audit is presented to the AGSA and confirmation of receipts be signed by the AGSA and filed by the Municipality as proof of submission of requested data.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
10	Outstanding	All Components	[14] Ex 66_Prior year's uncorrected AFS misstatement not corrected in the current year.	Prior year's uncorrected AFS misstatement not corrected in the current year.	Management did not ensure that the misstatements identified in the prior year are corrected in the year under review to ensure fair presentation of the municipality's financial statements.	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	Detailed analysis of account populations must be reviewed to ensure GRAP compliance taking into account the sample findings presented by the AGSA. Management must ensure that populations are reviewed and not only correct journalised projected figures as they projected figures do not fairly present the nature of the individual customer or supplier account.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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1	Outstanding	Inventory	[18]Ex 80, incorrect classification of Land	During the audit of inventories it was noted that land with Erf no. 1323 with the value of R330 000 was included on the inventory register as Land held for resale however upon verifications it was noted that land is actually occupied by Bophelong Hospital. As a result the land should have been classified as investment property with a fair value of R67 000 000.	The inventory register is not updated and reviewed on a regular basis. Management did not prepare regular, accurate and complete financial reports that are supported and evidenced by reliable information.	Expenditure and Asset Management	Mr T Sesany (Acting Departmental Head) AFS Preparation Consultants	1. Review the land register and reclassify all incorrectly classified transactions. The exercise should be performed for the previous and current financial years. 2. Maintain an audit trail to be submitted to the AGSA for the purposes of resolving the prior period audit finding.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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1	Outstanding	Audit of Predetermined Objectives (APOQ)	[20] EX-105_AO PO: Reported achievement is not consistent with planned and reported indicator and target - Number of kilometers of gravel road upgraded to tar at Setumo high school road (multiyear project 2015-16 & 2017-18)	Reported achievement is not consistent with planned and reported indicator and target - Number of kilometers of gravel road upgraded to tar at Setumo high school road (multiyear project 2015-16 & 2017-18)	27. The reported achievement for the following indicators were misstated as the evidence provided did not agree with the reported achievement	Performance Management System Unit	Ma K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

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								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

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13	Outstanding	Supply Chain Management	23JEx112- SCM- No evidence to confirm that the bid specification committee was established in the municipality	Could not be confirmed that the bid specification committee was established in the municipality as the minutes of the meetings were not attached on bid files.	Management has failed to exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls. Management did not ensure that the municipality comply with all SCM regulation.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	A SCM compliance checklist must be updated to take into account bid specification committee outcomes to ensure full compliance with prescribed laws and regulations within the prescribed timeframes and deadlines.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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14	Outstanding	Supply Chain Management	[29] Ex 136_SC M-Quotations	During the audit of SCM the following non-compliance was identified: 1. Through inspection of the payment pack it was noted that supplier Re mmogo Kwabong trading and projects 59 was paid an amount of R20 910 for services and there was no evidence to confirm that they had submitted a quotation. 2. It was further noted that for award made to Ore Arabileng supply and other projects amounting to R22 000, four quotations were submitted as follows and the supplier with the lowest quotation was not awarded and reasons	Non-compliance with SCM regulations. Management has failed to exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all the minimum documents prescribed by SCM policies and regulations are filed together for effective retrieval during audits. 2. The tender register to be reviewed against the tender documents weekly by the SCM departmental head to ensure all prescribed SCM minimum information has been attached to file. Follow ups should be performed without delay on all non-compliance cases.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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				were not provided.											

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15	Outstanding	Unauthorised, Irregular, Fruitless and Wasteful Expenditure	[29]Ex 141 - Non Compliance - Investigations	Instances of UFW identified were not investigated by the council as required by the act to determine whether are recoverable or can be written off.	Council did not execute its oversight responsibilities through initiations of investigations for instances of UFW as required by the act.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. Council to approve the investigation of unauthorised, irregular and fruitless and wasteful expenditure. The task should be delegated to a council committee preferably the Municipal Public Accounts Committee (MPAC). The investigation is primarily conducted to determine the recoverability of the aforementioned incurred expenditure. The investigation and the accounting treatment thereafter should be performed as prescribed by MFMA circular 68. 2. Internal audit or an experienced delegated official to review the adequacy of the investigation performed above unless otherwise IMPAC delegated the performance	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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								of the investigation to internal audit or any other delegated official. 3. All the relevant documentation pertaining to the investigation should be filed separately for AGSA purposes.							

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#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness.5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

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1 7	Outstanding	Movable Assets	[35]Ex.173 - Lease: Yellow and white fleet leased assets could not be verified	Yellow and white fleet leased assets could not be verified	Management did not ensure that the assets where available to be verified during the audit	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	No corrective measures required. The audit finding was resolved during the regularity audit. A court case which the details was provided to the Auditor General South Africa of the reasons why the assets cannot be verified.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
1 8	Outstanding	Expenditure	[36]Ex.174 - Operating lease: Disclose of the 36 months rent paid as per the lease agreement not disclosed on the AFS	During the audit if operating leases commitment for the 36 months rental payment as per the lease agreement was not disclosed on the Annual Financial Statements.	Lack of sufficient management oversight in preparation and review of the financial statements.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist and MFMA annual financial statements disclosure requirements to be used to aid in determining the completeness of disclosure notes in the annual financial statements. 3. A separate	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	Weekly	-	-	

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1	Outstanding	Expenditure	[35] Ex 172- Expenditure deficiencies	Quotation/contracts/SLA were not submitted for audit to ensure that amount paid is as per quotation/contracts/SLA. Transaction were incorrectly classified in the general ledger and AFS.	Insufficient controls over the recording of transactions and the filing of documents.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. The Head of the department must ensure that appropriate segments are linked to appropriate staff in their respective department and regularly ensure that departmental staff know which accounts to transact in. 2. A checklist may be used to monitor progress and identify where additional upskilling is required to ensure efficiencies in the department.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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								3. As an oversight control on the processing of expenditure transactions, the chief financial officer to assign an independent official to review activities (1) and (2) above and report any findings for remedial action.							

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20	Outstanding	Performance Audit	Provision of tar road in Thembane. Delays during the appointment of the replacement contractor	Delays in appointing a replacement contractor.	Appointment of service provider through the competitive bidding process not prioritised to be finalised at the earliest date possible.	Infrastructure (Roads)	Ms Tsae Director PMU Manager	1. A contract management framework and system should be established to efficiently and effectively manage contracts and related projects. A control system should also be established and reviewed for adequacy and effectiveness regularly by the internal audit unit or a qualified delegated official. 2. In addition to the above, periodic site visits should be performed regularly based on the duration of the project and supporting evidence (i.e. pictures, minutes etcetera) should be maintained to substantiate project monitoring activities. 3. Detailed reports on the record of work performed under (2) above must be prepared and be problematic	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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								projects addressed accordingly. The reports must be presented in all management meetings and communicated to the accounting officer. 4. All delays in project implementation must be fully assessed for remedial actions and details included in the reports in (4) above. All delays must be timeously reported to the chief financial officer and accounting officer.							

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21	Outstanding	Performance Audit	Upgrading of First and South streets and Zobo Road: Delays experienced during the upgrading of First and South streets and Zobo Road	Delays in implementing the project in accordance with the planned timelines.	Lack of communication and coordination between the various role-players, including the municipality, consulting engineer, contractor, ward councillor and community to ensure that all the role-players were involved from the start of the project.	Infrastructure (Roads)	Ms Tsae Director PMU Manager	<p>1. A contract management framework and system should be established to efficiently and effectively manage contracts and related projects. A related internal control system should also be established and reviewed for adequacy and effectiveness regularly by the internal audit unit or a qualified delegated official.</p> <p>2. In addition to the above, periodic site visits should be performed regularly based on the duration of the project and supporting evidence (i.e. pictures, minutes etcetera) should be maintained to substantiate project monitoring activities.</p> <p>3. Detailed reports on the record of work performed under (2) above must be prepared and problematic</p>	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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								projects addressed accordingly. The reports must be presented in all management meetings and communicated to the accounting officer. 4. All delays in project implementation must be fully assessed for remedial actions and details included in the reports in (4) above. All delays must be timeously reported to the chief financial officer and accounting officer.							

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22	Outstanding	Performance Audit	Upgrading of roads in units 12 and 14. Delays experienced during the upgrading of roads in units 12 and 14	Delays in implementing the project in accordance with the planned timelines.	This was mainly due to scope changes towards the end of the construction phase of the project and disagreement between the contractor and the municipality on the price for the additional work. Further reasons were the non-availability of the contractor to be introduced to the relevant communities, late submission of the required insurance documentation by the contractor and non-attendance of site progress and technical meetings by the contractor.	Infrastructure (Roads)	Ms Tsee Director PMU Manager	1. A contract management framework and system should be established to efficiently and effectively manage contracts and related projects. A control system should also be established and reviewed for adequacy and effectiveness regularly by the internal audit unit or a qualified delegated official. 2. In addition to the above, periodic site visits should be performed regularly based on the duration of the project and supporting evidence (i.e. pictures, minutes etcetera) should be maintained to substantiate project monitoring activities. 3. Detailed reports on the record of work performed under (2) above must be prepared and be problematic	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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								projects addressed accordingly. The reports must be presented in all management meetings and communicated to the accounting officer. 4. All delays in project implementation must be fully assessed for remedial actions and details included in the reports in (4) above. All delays must be timeously reported to the chief financial officer and accounting officer.							

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2	Outstanding	Performance Audit	Upgrading of roads in units 12 and 14: Poor workmanship during the upgrading of the roads	Poor quality work performed during the construction of the road.	The project manager showed the audit team the cracks that were not repaired but merely covered by the contractor. The consulting engineer in his progress report dated August 2018 referred to poor workmanship by the contractor, specifically with regards to the asphalt surfacing. Even though the contractor was requested on 24 October 2017 to submit asphalt mix designs and Marshall Test results before they start with the surfacing in unit 14, Leishello crescent, the contractor started surfacing the road on 4 November 2017 without complying with the consulting	Infrastructure (Roads)	Ms Isaac Director PMLU Manager	1. A contract management framework and system should be established to efficiently and effectively manage contracts and related projects. A control system should also be established and reviewed for adequacy and effectiveness regularly by the internal audit unit or a qualified delegated official. 2. In addition to the above, periodic site visits should be performed regularly based on the duration of the project and supporting evidence (i.e. pictures, minutes etcetera) should be maintained to substantiate project monitoring activities. 3. Detailed reports to be prepared on the record of work performed under (2) above and presented in	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
3															

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					engineer's request.			management meetings and/or to the Director: Infrastructure and/or accounting officer. 4. Penalty clauses to be implemented (and included in standardised contracts if not included) in all cases identified where the quality of the goods or services delivered are sub-standard. 5. A separate review to be performed by internal audit or any other delegated independent senior official to ensure that all identified and recorded defects or substandard work has been addressed by imposing the penalty clauses entailed in contracts.							

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24	Outstanding	Performance Audit	Upgrading of First and South streets and Zobo Road. Poor quality work observed in Zobo Road and First Street	Poor quality work performed during the construction of the road.	This was mainly because there was a lack of communication and coordination between the various role- players, including the municipality, consulting engineer, contractor, ward councillor and community to ensure that all the role- players were involved from the start of the project. The project manager indicated that the project was still in retention phase and that the contractor would have to rectify any defects identified by the municipality during this period.	Infrastructure (Roads)	Ms Tsee Director PMU Manager	1. A contract management framework and system should be established to efficiently and effectively manage contracts and related projects. A related internal control system should also be established and reviewed for adequacy and effectiveness regularly by the internal audit unit or a qualified delegated official. 2. In addition to the above, periodic site visits should be performed regularly based on the duration of the project and supporting evidence (i.e. pictures, minutes etcetera) should be maintained to substantiate project monitoring activities. 3. Detailed reports to be prepared on the record of work performed under (2) above and presented in	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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								management meetings and/or to the Director: Infrastructure and/or accounting officer. 4. Penalty clauses to be implemented (and included in standardised contracts if not included) in all cases identified where the quality of the goods or services delivered are sub-standard. 5. A separate review to be performed by internal audit or any other delegated independent senior official to ensure that all identified and recorded defects or substandard work has been addressed by imposing the penalty clauses entailed in contracts.							

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25	Outstanding	Performance Audit	Upgrading of First and South streets: Measurement of South Street not in line with the original scope of work	Actual record of work performed inconsistent with the planned approved scope.	The project manager indicated that this project was regarded as a re-measured project with provisional amounts. The length of the road that required upgrading was only measured on site during the construction phase. Based on above, the municipality did not perform a proper assessment during the planning phase of the project to identify the need of the municipality, the scope of the project and did not perform cost estimates before the tender was awarded to the contractor for the upgrading of South Street. Furthermore, there were no road markings painted on the	Infrastructure (Roads)	Ms Tsae Director PMU Manager	1. Include as part of the standard operating procedures a separate review to be performed by an independent senior official by comparing the scope of work as agreed in the contractual agreement to the progress reports and completion certificates for consistency at every instance when a service provider or contractor submits a progress report or completion certificate for payment purposes. This procedure must be performed on all infrastructure projects. 2. Internal audit or any other delegated official to perform a review on a sampling basis on all infrastructure projects initiated and executed in the financial year to ensure the reviews in (1)	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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					upgraded section of South Street. As part of the management responses it was indicated that the road markings will be completed as part of phase 2 of the project.			above were correctly performed. 3. Any drawbacks or findings identified in (3) must be communicated to the chief financial officer and/or accounting officer for remedial action.							

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26	Outstanding	Performance Audit	Roads infrastructure maintenance plan not in place and prioritising the need of roads to be maintained and upgraded was not done in an effective manner	No road maintenance plan in place.	The municipality could not compile a RMP that informed their prioritising of roads infrastructure renewal and routine maintenance because the Ngaka Modiri Molema district municipality have not completed the RAMS based on comprehensive condition assessments of all the roads.	Infrastructure (Roads)	Ms Tsee Director PMU Manager	1. A detailed Roads Maintenance Plan must be prepared according to best practices in Local Government. The plan must be aligned to the SDBIP and the timeliness must be consistent with the relevant MTRF in terms of times and budgeted figures. 2. An independent official to be assigned to monitor and report on the progress and challenges in implementing the roads maintenance plan. 3. The roads maintenance plan must be reviewed at least twice (2) a year i.e. during the annual budgeting period and during the budget adjustment process.	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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27	Outstanding	Performance Audit	Roads infrastructure work Standard for infrastructure procurement and delivery management not applied	Prescribed standards not applied.	There were vacancies in terms of qualified engineers/ technical staff responsible for roads infrastructure projects at the municipality.	Infrastructure (Roads)	Ms Tse Director PMU Manager	1. Include as part of the standard operating procedures a separate review to be performed by an independent official by comparing the standard of infrastructure procurement and delivery management to the records of actual processes implemented during the procurement and delivery stages. This procedure must be performed on all infrastructure projects. 2. The review procedures mentioned above will be implemented through a control checklist compiled in terms of the infrastructure Procurement and Delivery Management Standards. 3. Internal audit or any other delegated official to perform a review on a sampling basis	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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								On all infrastructure projects initiated and executed in the financial year to ensure the reviews in (1) and (2) above were correctly performed. 4. Any drawbacks or findings identified in (3) must be communicated to the chief financial officer and/or accounting officer for remedial action.							

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28	Outstanding	Cash and Cash Equivalents	[4] Ex 14, Disclosure of the account number not disclosed and incorrect account disclosed in the AFS	Contrary to the MFMA, the account number for the First National Bank was not disclosed on note 11 of the financial statements. Contrary to the MFMA, we identified that the account number (4090747387) disclosed for ABSA Grow Bus Account was incorrectly disclosed.	Management did not ensure controls are implemented to ensure that the information disclosed in the financial statements are accurate and complete	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. The register of all Municipal bank accounts (including investments) to be prepared and maintained on a regular basis (Monthly) and reconciled to the annual financial statements disclosure note. The procedure must be performed both during the interim and final financial statements preparation periods. 2. The GRAP disclosure checklist to be used to aid in determining the completeness of disclosure notes in the annual financial statements on all aspects of cash and cash equivalents. 3. A qualified official to be assigned by the chief financial officer to perform an independent review of (1) above and communicate all findings	1 Day	Wednesday, 03 April 2019	Wednesday, 03 April 2019	-	Weekly	-	-

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29	Outstanding	Cash and Cash Equivalents	[4] Ex-15 - Cash and cash equivalents - Disclosure	The bank/investments accounts (which was closed during 2018/17) with bank statement and cash book balances were incorrectly included in the bank account listing as disclosed in note 11 of the AFS	Management did not ensure controls are implemented to ensure that the information disclosed in the financial statements are accurate and complete	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. The register of all Municipal bank accounts (including investments) to be prepared and maintained on a regular basis (Monthly) and reconciled to the annual financial statements disclosure note. The procedure must be performed both during the interim and final financial statements preparation periods. 2. A qualified official to be assigned by the chief financial officer to perform	1 Day	Wednesday, 03 April 2019	Wednesday, 03 April 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAI))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start Date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								an independent review of (1) above and communicate all findings accordingly for remedial actions. The official to be selected is the same official that will perform a detailed review of the interim and final financial statements.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (for initiating implementing the action plan activities)	Planned Completion Date (for finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
30	Outstanding	All Components	[12]Ex.61- Non submission of requested information	Non submission of requested information	Non-submission of information to auditors as requested. This non-submission will constitute a limitation on the scope	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	1. A records management policy to be prepared that includes all municipal activities that require document processing. The policy should be approved by council and immediately implemented thereafter. 2. Standard Operating Procedures regarding document filing to be prepared and implemented in line with the records management policy. Internal audit or a delegated official to review and monitor the implementation of the records management policy. 3. The details of the records management policy and related standard operating procedures to be fully communicated on a regular basis to	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								all municipal personnel with documentation related tasks. 4. The internal audit unit (or any other delegated official) to perform detailed reviews on the implementation of the policy and SOPs and reported to the accounting officer and chief financial officer monthly.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
31	Outstanding	Cash and Cash Equivalents	18]Ex 78_C Cash and Cash Equivalents: Bank overdraft Disclosure	During the audit of financial statements, it was noted that the municipality disclosed a bank overdraft amounting to R34 487 402 under note 11. Management was then requested to provide the supporting documents, approvals relating to the bank overdraft however, they submitted a representation letter on 17 October 2018 signed by Head: Budget & Reporting (Mr Tswelle) stating that the overdraft presented on the face of the statement of financial position is not an overdraft facility arranged with a financial institution but it is as a result of the treatment of cash	Management did not ensure controls are implemented to ensure that the information disclosed in the financial statements are accurate and complete	Expenditure and Asset Management	Mr T Seanyai (Acting Departmental Head) AFS Preparation Consultants	1. The matter to be investigated in detail to determine if it's a technical matter relating to Munsoll resulting in an error in processing that requires and can be rectified by the service provider. If the matter cannot be resolved by the service provider, determine if accounting entries are required to correct the classification and presentation. Consider additional disclosure requirements if required and/or amending the description of the "bank overdraft" to a more reflective term defining the specific financial term to provide a better understanding to the users of the financial statements. 2. The GRAP disclosure checklist and MFMA annual	1 Week	Friday, 01 February 2019	Friday, 08 February 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
				payments by the system which will result in an "overdraft" line item. Based on management representation the financial statements are misleading to the users, as result management is required to change the wording.				financial statements disclosure requirements to be used to aid in determining the completeness of disclosure notes in the annual financial statements. 3. A qualified official to be assigned by the chief financial officer to perform an independent review of (1) above and communicate all findings accordingly for remedial actions.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code of the finding)	Summarised details of the Audit Finding	Root Causes (Identified by Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
32	Outstanding	Cash and Cash Equivalents	33]Ex 101 - Cash and Cash Equivalent Documents for reconciling items not submitted	Supporting documents for the reconciling items for cash and banks supporting documents were not provided. It was not possible to agree it to the reconciled amount as per the bank reconciliation (for the primary account).	Management did not ensure that the supporting documents for reconciling items for the cash and bank are available as evidence to agree the amounts	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	<p>1. The Head of the Unit must ensure data entry of deposits and disbursements are properly reviewed. At a minimum, require that the staff in the Cash Management Office compare reports of daily general ledger postings to the original source documents.</p> <p>2. Implement a standardized process for resolving reconciling items, ensure the resolution process is properly supervised, and make use of aged listings of reconciling items to track the age of items and their resolution with the units.</p> <p>3. The Chief Financial Officer must remind units involved with receipt and disbursement activities of the importance of resolving reconciling items</p>	1 Month	Friday, 01 February 2019	Friday, 01 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
3	Outstanding	Commitments	333Ex 149 - Commitments: Incomplete contract register	Contract register submitted for audit was not complete. Traced the projects from the commitments register to the contract register and the projects were not found.	Management does not ensure proper record keeping of projects. Non-compliance with laws and regulations. Lack of proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist and MFMA annual financial statements disclosure requirements to	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
					financial and performance reporting.			be used to aid in determining the completeness of disclosure notes in the annual financial statements. 3. A separate disclosure note to be made in the annual financial statements regarding all instances of non-compliance with the MFMA.							
34	Outstanding	Contingent Liabilities	133/Ex169 - Cases omitted from the contingency register	Cases were confirmed to have been omitted from the contingency register/listing per confirmation received from the legal council.	The cause was management's failure to implement proper controls to ensure that the contingency register/listing is complete and accurate. Management did not implement proper and sound controls to ensure that cases relating to contingent liabilities are reported and accounted for in the Financial Statements and corresponding supporting schedules.	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	Matter was resolved but included in the Management Report to facilitate cognisance in management to regularly update the contingent liabilities and assets register.	6 Months	Friday, 01 February 2019	Sunday, 30 June 2019	-	Monthly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient letter, the number in the 2nd bracket represents the number)	Summarised details of the Audit Finding	Root Causes (Identified by Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
35	Outstanding	Contingent Liabilities	Legal representatives from which confirmations could not be sourced	Certain Attorneys did not confirm legal representation.	Municipality's legal representatives failed to honor auditor's request for external confirmations timely.	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	Management must continuously engage with their legal representatives to ensure that a healthy and professional relationship is maintained to ensure that audit requests from the auditor general are responded to timeously regardless of negativities brought about by other matter such as possible outstanding legal fees.	1 Month	Monday, 03 June 2019	Friday, 28 June 2019	-	Monthly	-	-
36	Outstanding	Compliance	Ex 2. Non-Implementation of Human resource plan and PMS system	It was noticed that the municipality does not have Human Resource (HR) plan to ensure compliance with Human resource development strategy	Management did not implement Human Resource (HR) plan to ensure effective, efficient and sound control environment	Human Resources	Human Resources Manager	Management should draft the HRP and ensure it is properly drafted and appropriately provided to Council in due course for approval as part of the HR policy review process.	2 Weeks	Friday, 15 February 2019	Friday, 01 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
37	Outstanding	Employee Benefits	[8] Ex-39 HR- Amount as per AFS does not agree as per TB.	During the audit of employee cost, it was noted that the amount as per AFS does not agree to the amount as per TB.	Lack of management review of the financial records used to prepare the financial statements. Management did not exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	Differences between amounts on supporting schedules (general ledger and listings etc.) and amounts disclosed on the annual financial statements will be solely addressed by performing a detailed review of the amounts presented and disclosed on the annual financial statements by comparing such amounts to the supporting schedules (general ledger and listings etc.) and investigating any differences identified as mentioned below (prior period activities).	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
38	Outstanding	Employee Benefits	[17] Ex-73_Difference in the Employee Benefits Actuarial Report, AFS and Reports	Difference in the number of employees per Actuarial Report, Annual Financial Statements and the Employee Schedules.	Inadequate review by management of the financial records and schedules used to prepare the financial statements.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Detailed reviews to be performed on all calculations relating to line items or disclosure notes on the annual financial statements. Recalculations should be performed for all computations before the annual financial	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
39	Outstanding	Employee Benefits	17 Ex 76_E Employee cost Internal control: Leave taken prior to approval by line manager	Employees took annual leave during the year without prior approval by the Line Manager. Supporting documents for sick leave, study leave and family responsibility not attached to the leave form.	The above-mentioned deficiency is caused by the lack of proper management revision to ensure that the policies and procedures of Mahikeng Local Municipality pertaining to leave have been adhere to. The above-mentioned deficiency will result in non-compliance with the policies of Mahikeng Local Municipality, GRAP standard with regards to the value of leave liabilities, and losses in	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	The management must continuously properly review the procedures followed during the leave application process to staff to ensure that leave is only taken after approval by the line manager as it results in financial losses to the Municipality in terms of leave payouts which are not reflective of the actual days outstanding due to leave taken without approval which was not deducted from leave days outstanding.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
40	Outstanding	Employee Benefits	331Ex.127 - Leave forms not submitted	Leave forms not included in employee files and subsequently not provided to the AGSA for audit.	Management did not implement adequate internal controls regarding leave form administration which results in financial misstatements.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	Implement strict internal controls with regards to leave administrations as it has financial impacts on the financial standing of the Municipality. A checklist must be drafted and staff be advised that non-compliance may result in unpaid leave being administered if documents are not provided. A reconciliation should be performed between the leave forms, the leave register and the leave reports from the human resources system to ensure accuracy and completeness of	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled P/Map implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
41	Outstanding	Employee Benefits	35Ex.166 - Employee Medical Aid: Amount per AFS not agree as per Schedule.	Variances were identified between the financial statements and the municipality's medical aid report provided to the AGSA.	Management did not review the financial statements and the medical aid account statements. Monthly reconciliations are not adequately performed to ensure that variances are eliminated.	Expenditure and Asset Management	Mr T Sesithi (Acting Departmental Head) AFS Preparation Consultants	Differences between amounts on supporting schedules and amounts disclosed on the annual financial statements will be solely addressed by performing a detailed review of the amounts presented and disclosed on the annual financial statements by comparing such amounts to the supporting schedules and investigating any differences identified as mentioned below.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat the letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
42	Outstanding	Employee Benefits	(35) Ex 170 - Differences section 57 Remuneration on	Differences were identified on the remuneration of key management. Management only disclosed the acting allowance of the employees acting and not the gross salary.	Management did not exercise oversight regarding financial reporting.	Expenditure and Asset Management	Mr T Secinyi (Acting Departmental Head) ATF Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist and MFMA annual financial statements disclosure requirements to be used to aid in determining the completeness of disclosure notes in the annual financial statements.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
43	Outstanding	Unauthorised, Irregular, Fruitless and Wasteful Expenditure	(6) Ex 11 Non-compliance - UIFW not reported to relevant Treasury and AGSA	Incurred UIFW not reported to AGSA, Treasury and the MEC of Local Government.	Lack of adequate compliance monitoring activities in place for reporting operational matters to National Treasury and the Auditor General (SA). Lack of awareness and knowledge	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. A compliance checklist to be prepared, maintained and reviewed to ensure compliance with all relevant sections of the MFMA. 2. On an annual basis (after the AGSA regularity audit), the details of the incurred unauthorised.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start Date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
					on the reporting requirements relating to Unauthorised, Irregular, Fruitless and Wasteful (UFW) expenditure and other prescribed treatments in accordance with MFMA circular 68 and section 32 of the MFMA.			Irregular, fruitless and wasteful expenditure must be communicated to the Mayor, Council, and the MEC for local government as well as the Auditor General. 3. The above mentioned letters must be filed and included in the audit file under the "compliance" section.							
44	Outstanding	Compliance	Ex 12 Non-Compliance - Fraud risk assessment not conducted	There was no fraud risk assessment performed for the 2017-18 financial year to identify possible fraud.	No risk management staff or external service providers engaged to perform risk management activities.	Internal Audit	Mr S Oostruis (Chief Audit Executive - Shared Services) Internal Audit Staff	1. A risk management unit to be set up whether fully inhouse, outsourced or a mixture of both. All risk management activities and documentation will, thus, be prepared and performed in accordance with the relevant risk standards and frameworks. 2. As an alternative to the above, the risk management function can be assigned to the internal audit unit and as part of all	2 Weeks	Friday, 15 February 2019	Friday, 01 March 2019		Weekly		

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
4	Outstanding	Commitments	(1) Ex-57 C - Amount disclosed incorrectly on the annual financial statements	Authorised capital expenditure disclosed as R64 275 551 and the total capital commitments as R47 147 418.	Inadequate review procedures performed to ensure annual financial statements are free from material misstatements before submission to AGSA for regularity audit.	Expenditure and Asset Management	Mr T Sesany (Acting Departmental Head) AFS Preparation Consultants	1. Prepare a reconciliation statement between the commitments on tract register, documentation and supplier payments history report (from Munsott) to determine the correct commitment balance as at year end and investigate and resolve any discrepancies identified. 2. Perform a duplication test to ensure that there are no contract duplicates and recast the commitments register to ensure	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
46	Outstanding	Unauthorised, Irregular, Fruitless and Wasteful Expenditure	[19]Ex.89_N on-compliance _Non-recovery of UIFW incurred by the Municipality from the person liable	Officials not held liable for incurred UIFW.	Failure to correctly apply the requirements of MFMA Circular 68 and Section 32 of the MFMA.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An extensive investigation project to be initiated by the Chief Financial Officer and Accounting Officer to investigate and recommend the actions to be pursued regarding the irregular expenditure incurred until 30 June 2018. A detailed investigation plan to be prepared in accordance with MFMA section 32 and MFMA circular 68 and implemented accordingly with	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implement action of the plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicate d to AGSA, Council, Provincial and National Treasury)
								the oversight of MPAC and the Audit Committee. 2. A qualified official to review the record of work performed under (1) above and recommend corrective measures were required. The AGSA must also be consulted to ensure that the investigation performed is fully compliant with MFMA section 32 and MFMA circular 68. 3. As part of (1) and (2) above, it must be regarded and emphasised that the investigations are to determine if a financial loss was incurred and to determine recoverability thereof.							

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47	Outstanding	Compliance	[19]Ex-90_N on compliance - Non-disclosure of the requirement of Section 125(4)(d) of MFMA	The following were omitted in the disclosed notes to the Financial Statements submitted for audit as a result of lack of detailed review of financial statements against MFMA disclosure requirements: • criminal or disciplinary steps taken as a result of such losses or such unauthorised, irregular or fruitless and wasteful expenditures; and • material losses recovered or written off;	Lack of officials with detailed understanding of the MFMA disclosure requirements.	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	1. A compliance checklist to be prepared, maintained and reviewed to ensure compliance with all relevant sections of the MFMA. For the finding relating to section 125(4)(d) of the MFMA, the requirement must form part of (1) above and be performed during the high level review of the annual financial statements before submission to AGSA for the regularity audit. 2. The above mentioned letters must be filed and included in the audit file under the "compliance" section.	1 Week	Friday, 15 March 2019	Friday, 22 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
48	Outstanding	Cash and Cash Equivalents	[21] Ex 100 - Cash and Cash equivalent Bank listing not submitted to Provincial Treasury	Updated list of Municipal Bank Accounts not submitted to National Treasury.	Lack of understanding of section 9 of the MFMA and no control activities developed and implemented to ensure full compliance with reporting on all Municipal bank accounts at the beginning of the financial year.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. A compliance checklist to be prepared, maintained and reviewed to ensure compliance with all relevant sections of the MFMA. 2. On an annual basis (1 July), the budgeting and reporting department to prepare and/or update the listing of all Municipal Bank Accounts and submit to Provincial Treasury. 3. The abovementioned letters must be filed and included in the audit file under the "compliance" section. 4. An independent official or internal audit to perform regular and/or random checks on compliance checklists and report any findings to the chief financial officer and/or accounting officer	1 Day	Wednesday, 03 April 2019	Wednesday, 03 April 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
49	Outstanding	Compliance	[26] Ex-122 Non compliance with SARS	Payments for value added tax (VAT) over to SARS were not done within the prescribed 7 day period.	Lack of sound cash management practices in place and monitoring of compliance matters.	Expenditure and Asset Management	Mr T Seelinyi (Acting Departmental Head) AFS Preparation Consultants	Implementation of a municipal financial management program that incorporates sound financial analysis and interpretation activities to ensure sound financial management, thus improving the municipality's liquidity and solvency status. 2. The Financial and Revenue Enhancement plan 2018-19 must be utilised to effect the procedures prescribed under (1) in order to comply with	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Monthly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
50	Outstanding	Compliance	25]Ex.131 - The oversight report adopted by the council not made public	Oversight Report not properly and fully publicised.	Lack of adequate compliance monitoring activities in place.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. The oversight report to be included in the annual report, uploaded on the Municipal official website and at least placed on one noticeboard in all major Municipal properties i.e. civic centre and library. 2. A notice must be placed in the local newspapers (and/or radio) to notify residence of the publication of the oversight report. 2. The "general" compliance checklist must include a procedure to publicise the oversight report within 7 days for	1 Month	Friday, 15 February 2019	Friday, 15 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
51	Outstanding	Unauthorised, Irregular, Fruitless and Wasteful Expenditure	1919Ex-88_N on-compliance -Incorrect computation of the Unauthorised expenditure	Computation of unauthorised expenditure below is not in line with the definition of an Unauthorised expenditure for the Municipality contained in the Act	Lack of appropriate controls to ensure compliance with the requirements of the Act. Management's failure to ensure compliance with the requirements of the Municipal Finance Management Act 56 of 2003.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	Review the irregular expenditure register to identify all instances where amounts were incorrectly recorded. Adjust the annual financial statements to include the correct irregular expenditure figure for the year. File separately the supporting documents for AGSA purposes. Detailed reviews to be performed by experienced personnel on the irregular expenditure registers against all supporting	3 Months	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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52	Outstanding	Compliance	[2] Ex 8. Internal control deficiency - Use consultants	No gap analysis report was prepared to identify instances of over reliance on consultants and possibly form the basis for the consultancy reduction plan. Furthermore it was noted that the municipality does not have a consultancy reduction plan.	Management's lack of controls regarding the appointment and monitoring of consultants. As a result of the above the Municipality might be utilising consultants on activities which may well be conducted internally thereby incurring high consulting fees.	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	1. A separate "Use of Consultants" compliance checklist to be prepared and implemented. The checklist should be detailed and include all legislative requirements regarding the "use of consultants" i.e. MFMA circular 81 Cost Containment Measures. 2. Internal audit to review the completed checklist and report any identified findings to the chief	1 Week	##### #####	Thursday, 14 February 2019	-	Weekly	-	-

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53	Outstanding	Supply Chain Management	[5] Financial Interest declarations not completed by councilors	Councilors did not declare their financial interests.	Management has failed to exercise oversight responsibility regarding financial and performance reporting and compliance as well as related internal controls	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. Obtain (or in the absence, prepare) a declaration of interest register of all Councilors and section 57 managers. 2. Ensure that all Councilors and section 57 managers have completed and signed the declaration of interest forms and that the forms have been filed for AGSA purposes by making copies of each. 3. Update the declaration of interest register with all submissions and report any instances of non compliance to the	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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54	Outstanding	Compliance	(6) Ex 26: Policies are not approved	It was noted the following policies are not approved: 1. Occupational Health and safety policy 2. Internships, temporary worker policy 3. Human resource management and development 4. Engagements of temporary staff policy 5. Code of Conduct 6. Fleet Management 7. Human resource management and development 8. Standard operating	Management did not provide oversight to ensure that the policies are approved.	Human Resources	Human Resources Manager	1. The accounting officer and chief financial officer to assign either the internal audit unit or any other highly qualified official to design, implement and monitor an internal control system related to performance reporting and related compliance matters. 2. Internal audit to perform periodic tests to ensure that all Municipal policies and reviewed and approved (by Council). All findings should be reported to the accounting officer and chief financial officer	1 Month	#####	Monday, 01 April 2019	-	Weekly	-	-

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				procedures for performance information				for corrective action implementation.							
5	Outstanding	Information Technology	(15) Ex.28 ICT internal controls matters	The following are not in place: 1. The Programme change management policy; 2. the approved standards and procedures/guidelines on how changes and upgrades to packages systems are to be handled, and 3. No list of all new users, users' access that was changed, users that	Management's failure to establish proper controls to ensure sound ICT control environment.	Information Technology	IT Manager IT Staff	1. The accounting officer and chief financial officer to assign either the internal audit unit or any other highly qualified official to design, implement and monitor an internal control system related to performance reporting and related compliance matters. 2. Internal audit to perform periodic tests to ensure that all Municipal policies and reviewed and approved (by Council). All	3 Months	Thursday, 03 January 2019	Wednesday, 03 April 2019	-	Bi-Weekly	-	-

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				requested password resets and users that moved within the organisation during the financial year.				findings should be reported to the accounting officer and chief financial officer for corrective action implementation.							

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56	Outstanding	Information Technology	Ex 41_Prior period ICT findings not corrected by management	The following findings relating to prior year were not corrected: 1. The municipality did not have sufficient IT governance controls in place during the period under review. This included the lack of an approved IT governance framework, IT strategic plan and an IT governance committee. Furthermore, no IT risk and control assessment was performed during the period under review and as a result, no IT risk register existed. Without an updated IT risk register, management will not be able to adequately manage risks pertaining to their IT environment (IT Governance)	Management's failure to ensure that prior period findings relating to the ICT are corrected.	Information Technology	IT Manager IT Staff	Establish (The Accounting Officer and the Chief Financial Officer (with the assistance of the appointed IT Manager) an effective IT Steering Committee consisting of business and IT representatives. An IT committee charter must be prepared and approved accordingly. Although not limited to the below, the IT steering committee must ensure the following: • The Municipality's ICT objectives are aligned to its strategic objectives. • The Municipality's ICT risks are managed and mitigated. The Municipality achieves value for its ICT spend and ICT resources are effectively managed. Review and	3 Months	Thursday, 03 January 2019	Wednesday, 03 April 2019	-	Bi-Weekly	-	-

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				<p>2. Even though a formally approved Information technology (IT) security policy had been established by IT management, the policy did not include the required minimum information. The inadequacy of the security policy increases the risk of errors, fraud and the loss of data confidentiality, integrity and availability. (IT Governance)</p> <p>3. The municipality did not have a patch management solution, such as Windows Security Update Systems (WSUS), that will assist in the management of deploying patches across the network.</p>					<p>amend the IT security policy to ensure the following matters are fully addressed:</p> <ul style="list-style-type: none">• Security awareness and training;• Enforcement procedures;• Evidence of, or requirement for reviewing the policies; should there be changes in the environment / or based on the change in the level of risk of the entity;• Security of the application by the use of antivirus software;• A process to ensure that updates of all systems are up to date (i.e. patch management process);• Password and authentication configuration settings;• Management of privileged users.							

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				environment and report on the status of patches (Security management) 4. There are no formally documented and approved procedures that are used to manage the process of granting users access to all systems. (User Access Management) 5. The municipality does not have a formally documented and approved processes in place to manage upgrades/updates made to all financial / performance information systems. Furthermore, formal change request documentation is not completed and approved before changes are made to the financial											

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				systems which could result in unauthorised system changes that do not serve user needs. (Programme Change Management)											
				6. Controls over IT service continuity are inadequate as the municipality does not have an approved backup and retention strategy or a disaster recovery plan in place. (Problem & Incident Management)											
				7. Council did not approve the IT Strategy that caters for the upgrade of the IT network and infrastructure. In the event of a disruption / disaster the organisation might not be able to recover critical systems and data within an											

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				appropriate time frame and systems might consequently be unavailable for a lengthy period (Problem & Incident Management)											
57	Outstanding	Unauthorised, Irregular, Fruitless and Wasteful Expenditure	13]Ex.28 - Non compliance - UIFW Expenditure	Accounting Officer did not take effective steps to prevent irregular and fruitless and wasteful expenditure during the current year.	Lack of proper implementation of the compliance checklist to ensure compliance with SCM rules and regulations and the Municipal Finance	Supply Chain Management	Mr O Xhumu (Departmental Head) SCM Staff External Consultants	Compliance checklist is to be properly implemented to ensure compliance with the relevant laws and regulations.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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					Management Act. Lack of a detailed compliance checklist which is fully implemented and monitored on a regular basis. Lack of management oversight over compliance matters.										
58	Outstanding	Compliance	[13]Ex-46_S omission of the mid-year performance report not submitted by 25 January	The municipality held its mid-year budget and performance assessment meeting on 22-23 January 2018 where officials from Treasury were invited however, upon inspection of the letter submitted to Hon. Executive Mayor it was noted that the submission was done on 29 January 2018 which is after 25 January.	Insufficient controls implemented to ensure adherence to applicable legislation.	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	The preparation and tabling of the mid-year performance report must be initiated as soon as the 1st quarterly performance report is prepared and the process must continue up until the first week of January were in the second week the report is finalised and shared to all respective stakeholders before the official prescribed date of the 25th.	2 Weeks	Monday, 14 January 2019	Friday, 25 January 2019	-	Daily	-	-

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59	Outstanding	Trade and Other Payables	[1] Ex 52_F Financial Instruments disclosure	Financial Instruments disclosure	Insufficient controls implemented to ensure all required disclosures are made in the AFS	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist and MFMA annual financial statements disclosure requirements to be used to aid in determining the completeness of disclosure notes in the annual financial statements. 3. A separate disclosure note to be made in the annual financial statements regarding all instances of non-compliance with the MFMA.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implement action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicate d to AGSA, Council, Provincial and National Treasury)
60	Outstanding	Compliance	[19]Ex.91 - MFMA Section 125 Disclosure	Councillors were identified with arrears consumer accounts and are not included in the disclosure note. PAYE and UIF and pension and medical aid were not supported by evidence	Insufficient controls implemented to ensure accurate disclosure of amounts in the AFS	Budgeting and Reporting	Ms J. Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist and MFMA annual financial statements disclosure requirements to be used to aid in determining the completeness of disclosure notes in the annual financial statements and must specifically include the disclosure of information pertaining to long outstanding Councillors' accounts.	1 Week	Friday, 15 March 2019	Friday, 22 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
61	Outstanding	All Components	[33]ex 157 - Budget Comparison - Incorrect disclosure of budget comparison	Amounts have not been correctly disclosed resulting in the incorrect variance between AFS and Statement of Budget Comparison in terms of "Other revenue"	Exercise oversight responsibility regarding financial and performance reporting and compliance as well as related internal controls	Budgeting and Reporting	Ms J Bezuidenhout (Acting Departmental Head) AFS Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist and MFMA annual financial statements disclosure requirements to be used to aid in determining the completeness of disclosure notes in the annual financial statements. 3. A separate disclosure note to be made in the annual financial statements regarding all instances of non-compliance with the MFMA.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat of the letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
62	Outstanding	Property, Plant & Equipment	[7] Ex 36 - Property, Plant and Equipment - Difference between trial balance, fixed assets register and annual financial statements submitted for review the following differences were identified.	As per comparison of the trial balance, fixed assets register and annual financial statements submitted for review the following differences were identified.	Management did not reconcile the trial balance, fixed assets register to the annual financial statements	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. The audit finding to form part of the high risk areas to be addressed during the high level review of the annual financial statements. 2. For all amounts presented in the annual financial statements, perform a comparison between the final TB amounts and the final amounts on the supporting evidence (listings, calculations etc.). This should form part of the annual financial statement preparation plan.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
63	Outstanding	Immovable Assets	[2] Ex 94 - Immovable assets - Assets could not be verified	Assets could not be verified	The fixed assets register not updated on a regular basis	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	All GRAP asset register requirements regarding presentation of assets should be relevant and must be based on work performed during the asset verification cycle to ensure that information contained in the register is relevant and supported by	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
64	Outstanding	Intangible Assets	[12]Ex-62- Intangible assets: Difference Identified on the AFS	Difference between the cost of Intangible assets between the 2017 and 2018 financial year.	Amortisation for the prior financial years not correctly accounted for during the compilation of the financial statements. Previously de-recognised software erroneously included in the cost of Intangible assets.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Perform a detailed review of the intangible asset register and agree all figures (opening carrying balance, amortisation, disposals, additions and closing balance) to the figures disclosed in the annual financial statements. Investigate any differences identified and make adjusting entries were required. File separately the supporting documentation for the work performed for submission to AGSA. The aforementioned procedures should be performed before the annual financial	1 Week	Monday, 18 February 2019	Friday, 22 February 2019	-	-	-	

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coal letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Activities both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
65	Outstanding	Inventory	[26] Ex-132 Inventory: Land - Overstatement of land inventory	Land included in the inventory register was privately owned and not owned by the municipality.	The inventory register is not updated and reviewed, on a regular basis.	Expenditure and Asset Management	Mr T Sesnyi (Acting Departmental Head) AFS Preparation Consultants	statements (including interim financial statements) are submitted to the internal audit unit, Provincial and National Treasury and AGSA. 2. All departmental managers in the budget and treasury office are required to perform procedure (1) relevant to their financial statement components and prepare supporting evidence to that regard for submission to the chief financial officer and AGSA.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (S4))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
66	Outstanding	Investment Property	[9] Ex 44_Investment Properties not in the name of Municipality	Properties owned by private persons included on the investment property register.	Lack of "echo" reviews when processed data is returned from external service providers to ensure consistency between core input and output information i.e. properties submitted for valuations are the same properties returned by the valuer.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. A procedure must be included in the annual financial statements preparation plan to review at least once at year end all the investment property latest title deeds to ensure that any changes in ownership are correctly accounted for in the accounting records and annual financial statements. 2. An independent official from the planning and development department to perform an ownership verification check	1 Week	Monday, 01 July 2019	Friday, 05 July 2019	-	Weekly	-	-

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								at least once a year. 3. Information from (1) and (2) above to be reconciled and all discrepancies rectified accordingly.							
67	Outstanding	Investment Property	[1] Ex 58 J Investment property : Buildings not belong to the municipality	Commercial, government and religious buildings included on the investment property register.	The land upon which the commercial, religious and government structures have been built is owned by the Municipality. The value's measurement basis requires the property value to include the value of the buildings on Municipal land as the value of the land cannot as a matter of principle be separated from the structures set up on the land.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Agreements must be in place for all notarial deeds entered into by the Municipality were the land belongs to the Municipality and the buildings are owned by private persons. 2. Rental agreements and/or sale agreements must be concluded to ensure that the Municipality realises all the economic benefits that accrue as a result of the land ownership. 3. The chief financial officer and accounting officer to approve (1) and (2) above.	1 Month	Friday, 01 February 2019	Friday, 01 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
68	Outstanding	Investment Property	[1] Ex 59.1 Investment property: Title deeds and valuation certificate not provided.	Requested title deeds could not be obtained for a select number of investment property.	Certain properties owned by the Municipality are not registered at the deeds office mainly due to change in ERFs and lack of adequate property management procedures.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. All investment properties without title deeds (Mainly Lekhung Flats and Telkom Building) to be identified and the process to be registered at the deeds office initiated. 2. The Planning and Development department to be engaged during the process identified in (1) above.	3 Months	Friday, 01 February 2019	Tuesday, 30 April 2019	-	Weekly	-	-
69	Outstanding	Compliance	[2] Ex 8. Non-Compliance - Investment with VBS Bank	Municipality may invest only in the following investments types: i) securities issued by the national government; ii) listed corporate bonds with an investment grade rating from a nationally or internationally recognised credit rating agency; iii) deposits with banks registered in terms of the Banks Act, 1990 (Act No.	Management failed to implement the Finance Management Act and resulting in a breakdown in internal controls resulting in an adverse financial investment in a mutual bank.	Office of the Municipal Manager and/or Office of the Chief Financial Officer	Mr A Morris (Acting Municipal Manager/ Ms T Modisa/A Acting Chief Financial Officer)	1. Update their cash management policy and investment compliance checklist to ensure full compliance with prescribed laws and regulations which is transparent and is of benefit to the Municipality. 2. Guidance on proceeding with the matter of the investment in VBS will be provided by National Treasury, Auditor General (SA) and the Curator and/or liquidator. 3. All	1 Year	Thursday, 03 January 2019	Tuesday, 31 December 2019	-	Monthly	-	-

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				94 of 1990 (iv) deposits with the Public Investment Commissioner as contemplated by the Public Investment Commissioner's Act, 1984 (Act No. 45 of 1984) (v) deposits with the Corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act, 1984 (Act No. 46 of 1984) (vi) bankers acceptance certificates or negotiable certificates of deposit of banks registered in terms of the Banks Act, 1990 (vii) guaranteed endowment policies with the intention of establishing a sinking fund (viii) repurchase agreements with banks				future investments must be evaluated by a committee consisting of the chief financial officer, accounting officer, legal department, any director and any other official with the necessary investment knowledge, skills and experience.							

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70	Outstanding	Movable Assets	[9] EX 37_Movable assets: incomplete disclosure of assets.	During the review of the ordinary council meeting dated 15 November 2017 we identified that they were three computers reported for stolen with the value of R53 000.00, however those assets were not disclosed under disposal assets. Those stolen assets	Management oversight to ensure that the stolen assets were removed from fixed assets register and disclosed under disposal assets.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	All GRAP 17 requirements regarding presentation of movable assets should be applied and must be based on work performed during the asset verification cycle to ensure that information contained in the register is relevant and supported by appropriate paperwork.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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71	Outstanding	Movable Assets	[10] Ex 51 Prop erty, Plant and Equipment Assets recorded on the register without assets number.	Assets were recorded on the fixed assets register without assets number.	The fixed assets register not updated on a regular basis	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	All GRAP 17 requirements regarding presentation of movable assets should be applied were relevant and must be based on work performed during the asset verification cycle to ensure that information contained in the register is relevant and supported by appropriate paperwork.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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7 2	Outstanding	Movable Assets	(11) Ex.60 - Movable Assets - Assets could not be verified	Assets could not be verified due to lack of barcoding and incomplete GRAP asset register.	The fixed assets register not updated on a regular basis	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	All GRAP asset register requirements regarding presentation of assets should be applied were relevant and must be based on work performed during the asset verification cycle to ensure that information contained in the register is relevant and supported by appropriate paperwork.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
7 3	Outstanding	Movable Assets	(15) Ex 71_A Assets not recorded in the assets register	Assets were not recorded in the assets register were identified during the audit. During physical verification we noted that the following assets were not on good condition, however they were still recorded on the assets register.	Management does not review and monitor or perform any assets count to identify any discrepancies on the assets register.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	All GRAP 17 requirements regarding presentation of movable assets should be applied were relevant and must be based on work performed during the asset verification cycle to ensure that information contained in the register is relevant and supported by appropriate paperwork.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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74	Outstanding	Movable Assets	[21] Ex 99 - Movable assets - Incorrect calculation of depreciation	Incorrect calculation of depreciation expenditure for the year under audit	Lack of oversight by management in the preparation of assets register.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	All GRAP 17 requirements regarding presentation of movable assets should be applied and must be based on work performed during the asset verification cycle to ensure that information contained in the register is relevant and supported by appropriate paperwork. This should include the assessment of residual values.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
75	Outstanding	Compliance	[29] Ex 75, Expenditure - Payments not made within 30 Days	Suppliers were not paid within 30 days as per MFMA Act 66(2) and 99(2) (b).	Inadequate financial management activities in place to manage the liquidity of the municipality.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Implementation of a Municipal financial management program that incorporates sound financial analysis and interpretation activities to ensure sound financial management, thus, improving the municipality's liquidity and solvency status. 2. Procedure (1) above will be achieved by preparing and implementing a	1 Month	Friday, 01 February 2019	Thursday, 28 February 2019	-	Weekly	-	-

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76	Outstanding	Unauthorised, Irregular, Fruitless and Wasteful Expenditure	33Ex-77_F Fruitless and Wasteful Expenditure - Complete as	Interest charged on overdue accounts not recorded on the fruitless and wasteful expenditure register.	1. No detailed review of the working papers for fruitless and wasteful expenditure. 2. Human error during preparation of the fruitless and wasteful expenditure register.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. Obtain all supplier statements were late payments as per the payment terms and conditions emanate to interest and penalties being levied. Determine the interest and penalties levied and assess using the guidance provided in MFMA circular 68 if it's qualified as fruitless and wasteful expenditure. If the interest and the interest and penalties satisfy the definition of fruitless and wasteful expenditure, record the amounts and related information in the fruitless and wasteful	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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7	Outstanding	Unauthorised, Irregular, Fruitless and Wasteful Expenditure	[23]Ex-92 Irregular Expenditure : Invoices not included in the Irregular expenditure register	Vouchers were not included in the register of Irregular expenditure.	Inadequate controls implemented to ensure the reviewing and monitoring of compliance with applicable laws and regulations.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	Detailed reviews to be performed by experienced personnel on the irregular expenditure registers against all supporting evidence to ensure accuracy and completeness of the reported irregular expenditure for the financial year. Detailed control activities should be formulated that incorporate accuracy and completeness of irregular expenditure incurred.	2 Weeks	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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78	Outstanding	Expenditure	[25] Ex. 130 Accuracy of the following misstatements were identified during the audit of expenditure	Expenditure Invoices incorrect posted in the Microsoft Accounting System coupled with limited or no transaction review processes relating to the general ledger.	Inadequate review of expenditure related supporting documents before recording and after recording of transactions in the general ledger. The general ledger is not reviewed weekly or monthly to mitigate risks relating to misallocations due to fraud or error.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. The Journal form must clearly be fully completed indicating the preparer, reviewer and approver together with the approval signatures for isolation of responsibility. 2. Furthermore, perform a post journal review of the general ledger account weekly or monthly and signoff review for filling. All journal forms must be accompanied by the relevant supporting documentation. 3. The chief financial officer to assign an independent experienced official to review ALL non routine and unusual journal entries and follow up on any possible misstatements.	2 Weeks	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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79	Outstanding	Expenditure	Expenditure [38] Ex. 169 - Incorrect classification	Expenditure invoices incorrec posted in the Munsoft Accounting System coupled with limited or no transaction review processes relating to the general ledger.	Inadequate review of expenditure related supporting documents before recording and after recording of transactions in the general ledger. The general ledger is not reviewed weekly or monthly to mitigate risks relating to misallocations due to fraud or error.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. The Journal form must clearly be fully completed indicating the preparer, reviewer and approver together with the approval signatures for isolation of responsibility. 2. Furthermore, perform a post journal review of the general ledger account weekly or monthly and signoff review for filling. All journal forms must be accompanied by the relevant supporting documentation. 3. The chief financial officer to assign an independent experienced official to review ALL non routine and unusual journal entries and follow up on any possible misstatements.	2 Weeks	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat of the letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
80	Outstanding	Employee Benefits	[29]Ex-148_13th Cheque Bonus	Amount disclosed on the financial statements as a 13th Cheque liability was incorrect. No calculation was done by the municipality, this year's expense amount was disclosed as the 13 Cheque Liability.	Lack of management intervention in the preparation and review of the financial statement process.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	Perform a 13th cheque provision calculation based on human resources policies taking into account possibly the individual employees base remuneration. For all amounts presented in the annual financial statements, perform a comparison between the final TB and AFS amounts and the final amounts on the supporting 13th Cheque Provision Schedule. This should form part of the annual financial statement preparation plan.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
81	Outstanding	Trade and Other Payables	[35]Ex-165 - Trade Payables cannot be confirmed.	During the audit of Trade Payable, it was noted that The Municipality does not have a system in place to monitor trade creditors in a form of a listing, an aging analysis or a register. As a result the balance due to	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Perform a detailed analysis of the general ledger account, obtaining transactions and linking such transaction to creditor codes and draft a creditors listing and compare such listing to creditor statements on a monthly basis.	1 Week	Friday, 01 February 2019	Monday, 01 July 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
				creditors cannot be determined at any given time	reporting			2. Variances identified should be reconciled and related invoices captured in the listing, deducting appropriately any payments made. The reconciliation statements must be prepared monthly, prepared, reviewed and approved by three (3) different officials for isolation of responsibility. 3. All records prepared in (1) and (2) above must be separately filed for regularity and other administrative purposes.							
82	Outstanding	Trade and Other Payables	[36]Ex 175 - Sundry and other Creditors	During the testing of Sundry and other Creditors it was discovered that there are no sufficient appropriate listings and reconciliations that can be provided	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Perform a detailed analysis of the general ledger account, obtaining transactions and linking such transaction to creditor codes and draft a creditors listing and compare such listing to creditor statements on a monthly basis.	1 Week	Friday, 01 February 2019	Monday, 01 July 2019		Weekly		

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
					reporting			2. Variances identified should be reconciled and related invoices captured in the listing, deducting appropriately any payments made. The reconciliation statements must be prepared monthly, prepared, reviewed and approved by three (3) different officials for isolation of responsibility. 3. All records prepared in (1) and (2) above must be separately filed for regularity and other administrative purposes.							
83	Outstanding	Trade and Other Payables	136(Ex.176 - Unallocated Deposits Unconfirmable	During the testing of unallocated deposits, the balances that make up the final amount of the unallocated deposits as is on the annual financial statements could not be confirmed. There are no	Management did not keep schedules for balances relating to unallocated deposits.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. A separate project to be initiated, planned and executed and directed specifically at addressing unallocated deposits by identifying all required information and clearing the unallocated deposits to the correct votes	3 Months	Friday, 01 February 2019	Monday, 01 July 2019		Weekly		

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
				schedules showing how balances were calculated and there is no supporting proof for these balances in the form of listings or other documentation				(accounts).							
84	Outstanding	Trade and Other Payables	36 Ex: 177- Retention Inaccurate	Differences between the retention per supplier invoice, the retention per The Municipality's schedule and the recalculation of 10%/5% of the contract amount	Management did not keep an accounting system that ensures that liabilities are valued accurately.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Perform a detailed analysis of the general ledger account, obtaining transactions and linking such transaction to creditor codes and draft a creditors listing and compare such listing to creditor statements on a monthly basis. 2. Variances identified should be reconciled and related invoices captured in the listing, deducting appropriately any payments made. The reconciliation statements must be prepared monthly, prepared, reviewed and	1 Week	Friday, 01 February 2019	Monday, 01 July 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
85	Outstanding	Audit of Predetermined Objectives (APO)	9. Ex. 17. Reported achievement as per APR does not agree to the schedule/report summary	Inconsistencies between reported performance information and the schedule/report summary	1. Inadequate review per key performance indicator to the annual performance report was performed. 2. Human error (computations) during the preparation of the annual performance report.	Performance Management System Unit	Ms K. Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related	6 Months	Thursday 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor (SAI))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (for initiating implementing the action plan activities)	Planned Completion Date (for finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
86	Outstanding	Audit of Predetermined Objectives (APO)	[19]Ex 65 - APO - Consistency - Number of new households with basic electricity connections from Eskom	Inconsistencies between reported performance information and the supporting evidence/calculations contained in the portfolio of evidence.	1. Inadequate review per key performance indicator to the annual performance report was performed. 2. Human error (computations) during the preparation of the annual performance report.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance to performance to be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
87	Outstanding	Audit of Predetermined Objectives (APO)	[20]Ex 93.L insufficient supporting document provided for the achieved indicator: Number of new boreholes constructed	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate records management system related to the performance management system. 2. Lack of oversight over performance reporting.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance to be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effectiveness of the implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target.	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient number)	Summarised details of the Audit Finding	Root Causes (Identified by Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
88	Outstanding	Audit of Predetermined Objectives (APO)	[1] Ex 48_A The actual achievement of the Indicator is incorrectly reported.	Inconsistencies between reported performance information and the supporting evidence/calculations contained in the portfolio of evidence.	Oversight by management to ensure that reported numbers are agreeable to sufficient, appropriate audit-table information.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. AS part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target being reported on. 4. All reported	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								<p>achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness.5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.</p>							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the cost letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
89	Outstanding	Audit of Predetermined Objectives (APO)	(1) Ex 54_A The indicator is not measurable and the SDBIP and APR are not consistent	Inconsistencies between reported performance information and the planned targets per the SDBIP, furthermore the indicator is not measurable	Oversight by management to ensure that reported numbers are agreeable to sufficient, appropriate audit-table information.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. A detailed review to be performed on all quarterly and annual performance reports by comparison to the SDBIP to ensure consistency and completeness. 2. Internal audit or any qualified delegated official to perform reviews on the consistency between the performance reports and the SDBIP. The review must be focused on the two major Key performance areas i.e. Infrastructure and Service Delivery and Public Safety.	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
90	Outstanding	Audit of Predetermined Objectives (APO)	[11]Ex 55_A OPO: The performance indicator is not well defined	The performance indicators are not well defined	1. Lack of senior management oversight over the entire performance management system. 2. Lack of application knowledge and skill of the framework for managing programme performance information.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								<p>being reported on.</p> <p>4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness.</p> <p>5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.</p>							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient letter)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
91	Outstanding	Audit of Predetermined Objectives (APO)	[15] Ex 67_AOP C Performance indicator not achieved	The performance target is not achieved	1. Lack of senior management oversight over the entire performance management system. 2. Lack of application knowledge and skill of the framework for managing programme performance information.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target.	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implement action of the plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

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92	Outstanding	Audit of Predetermined Objectives (APOO)	(22)Ex:102-APOO: No supporting document for number of illegal dumping sports cleaned	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate review per key performance indicator to the annual performance report was performed. 2. Human error (computations) during the preparation of the annual performance report.	Performance Management System Unit	Ms K Mokoena (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

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								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

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93	Outstanding	Audit of Predetermined Objectives (AOPO)	[22]Ex-103 - AOPO: No supporting document for number of water meters replaced	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate review per key performance indicator to the annual performance report was performed. 2. Human error (computations) during the preparation of the annual performance report.	Performance Management System Unit	Ms K Moxoane (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target.	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019		Quarterly		

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
94	Outstanding	Audit of Predetermined Objectives (APO)	[23] Ex.113 - No supporting documents on file for number of funerals in rural wards provided with free basic water (tanks, waterers)	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information.	1. Inadequate records management system related to the performance management system. 2. Lack of oversight over performance reporting.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target.	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the cost letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coal letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
95	Outstanding	Audit of Predetermined Objectives (APOPO)	The achieved target is not accurate for number of speed humps constructed	Inconsistencies between reported performance information and the supporting evidence/calculations contained in the portfolio of evidence.	1. Inadequate records management system related to the performance management system. 2. Lack of oversight over performance reporting.	Performance Management System Unit	Ms K. Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat of the letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (for initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
96	Outstanding	Audit of Predetermined Objectives (APOO)	[25] Ex:124 APOO Application forms for indigent household not signed by municipal official as indication of review	Application forms for indigents presented as POE for performance information were not signed as proof of review.	1. Inadequate review per key performance indicator to the annual performance report was performed.	Performance Management System Unit	Ms K.Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAI))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
97	Outstanding	Audit of Predetermined Objectives (APO)	[25] Ex.125 APO-Rep reported achievement is not consistent with planned and reported indicator and target-Number of bulk and domestic water meter replaced	Inconsistencies between reported performance information and the supporting evidence/calculations contained in the portfolio of evidence.	1. Inadequate review per key performance indicator to the annual performance report was performed. 2. Human error (computations) during the preparation of the annual performance report.	Performance Management System Unit	Ms K.Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
98	Outstanding	Audit of Predetermined Objectives (APO)	[25] Ex 126 The target achieved is not accurate.	Inconsistencies between reported performance information and the supporting evidence/calculations contained in the portfolio of evidence.	1. Inadequate review per key performance indicator to the annual performance report was performed. 2. Human error (computations) during the preparation of the annual performance report	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Review all key performance indicators and related targets on an annual basis to ensure that all the indicators and targets satisfy the SMART criteria. The review must be performed during the management strategic sessions early in the financial year. 2. Record of the work performed in (1) above must be appropriately recorded for independent review and records purposes.	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
9	Outstanding	Audit of Predetermined Objectives (APOO)	[28] Ex.142_AO P.O. Supporting documents not in the portfolio of evidence for number of street lights maintained (7500 light total)	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate records management system related to the performance management system. 2. Lack of oversight over performance reporting.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the conf letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
100	Outstanding	Audit of Predetermined Objectives (APO)	28/Ex.143_ APO: Supporting documents not in the portfolio of evidence - Number of high mast lights maintained	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate records management system related to the performance management system. 2. Lack of oversight over performance reporting.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
101	Outstanding	Audit of Predetermined Objectives (APOO)	[28]Ex 144_ APOO Supporting documents not in the portfolio of evidence for number of traffic lights intersection maintained	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate records management system related to the performance management system 2. Lack of oversight over performance reporting.	Performance Management System Unit	Ms K Mokoene/Performance Management System Manager	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target being reported on. 4. All reported	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAI))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implement action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicate d to AGSA, Council, Provincial and National Treasury)
								achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
102	Outstanding	Audit of Predetermined Objectives (APO)	[28]Ex 145_ APO: Supporting document not sufficient to verify validity, accuracy and completeness for speed humps constructed	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate records management system related to the performance management system. 2. Lack of oversight over performance reporting.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. The records management system of the municipality will be reviewed in detail and appropriate internal control and monitoring activities formulated and implemented to ensure that sufficient appropriate records are available for both municipal internal processes and financial statement audit purposes. 2. Internal audit or any other qualified official to review adequacy of POEs to reported performance on a quarterly basis and report any misstatements to the performance management system manager for corrective measures. Internal audit or other qualified official to follow up on the corrective measures implemented and evaluate if further	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	.	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implement ation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement ation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicate d to AGSA, Council, Provincial and National Treasury)
								action is required with the assistance of the Head Office of the Municipal Manager.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
103	Outstanding	Audit of Predetermined Objectives (APO)	[30]Ex.152_ APO: Supporting documents not in the portfolio of evidence for Number of boreholes maintained	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate records management system related to the performance management system. 2. Lack of oversight over performance reporting.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effectiveness of implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coal letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
104	Outstanding	Audit of Predetermined Objectives (APO)	[30]Ex.153_APO: Supporting document not submitted for KIMs of storm water drainage system maintained	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate records management system related to the performance management system. 2. Lack of oversight over performance reporting.	Performance Management System Unit	Ms K Makroene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	Quarterly	-	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coal letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
105	Outstanding	Audit of Predetermined Objectives (APOO)	33Ex.154 - Differences noted between Annual Performance Report targets and supporting documentation	Inconsistencies between reported performance information and the supporting evidence/calculations contained in the portfolio of evidence.	1. Inadequate review per key performance indicator to the annual performance report was performed. 2. Human error (computations) during the preparation of the annual performance report.	Performance Management System Unit	Ms K Mokoena (Performance Management System Manager)	1. A detailed review to be performed on all quarterly and annual performance reports by comparison to the SDBP to ensure consistency and completeness. 2. Internal audit or any qualified delegated official to perform reviews on the consistency between the performance reports and the SDBP. The review must be focused on the two major Key performance areas i.e. Infrastructure and Service Delivery and Public Safety	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
106	Outstanding	Audit of Predetermined Objectives (APO)	31]Ex 158_... AOPO:Supp erting document not in the file (POE) for % identified damaged road signs repaired/relaced	Monthly reports for performance information were not signed as proof of review.	1. Inadequate review per key performance indicator to the annual performance report was performed.	Performance Management System Unit	Ms K Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coal letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAI))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								being reported on. 4. All reported achieved targets in the annual performance report should be reconciled/agreed to the achieved targets in the portfolio of evidence for correctness. 5. All internal control deviations to be reported to the accounting officer and chief financial officer for corrective action implementation after the performance of activity (2) above.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
107	Outstanding	Audit of Predetermined Objectives (APO)	[34]Ex.167 - APO: There is no record on the system indicating that the indigent received water.	Management did not ensure proper record keeping of non-financial information that can be corroborated with actual reported performance. Management did not ensure that completeness, accuracy and validity of reported performance information	1. Inadequate review per key performance indicator to the annual performance report was performed. 2. Human error (computations) during the preparation of the annual performance report.	Performance Management System Unit	Ms K.Mokoene (Performance Management System Manager)	1. Prepare and implement a records management policy and records management system specifically for performance reporting. The policies relating to performance reporting can be included in the proposed general records management policy. 2. Internal audit or any qualified delegated official to perform reviews on the effective implementation of the records management policy and related records management system. 3. As part of the above action plan activities, a portfolio of evidence should be prepared per KPI and the POE should be relevant to the key performance indicator and related target	6 Months	Thursday, 03 January 2019	Monday, 01 July 2019	-	Quarterly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (for initiating implementing the action plan activities)	Planned Completion Date (for finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
108	Outstanding	All Components	[2] Ex-10 Internal control deficiencies identified	a) The municipality does not maintain a register for allegations relating to abuse supply chain management system; b) The municipality does not have an approved fraud prevention plan in place;	No Internal control system established for SCM processes that is fully independent and applied consistently.	Office of the Municipal Manager and/or Office of the Chief Financial Officer	Ms T Modisa Acting Chief Financial Officer	1. The accounting officer and chief financial officer to assign either the internal audit unit or any other highly qualified official to design, implement and monitor an internal control system related to performance reporting and compliance matters. 2. Internal audit	1 Week	Friday 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code of the letter, the number in the 2nd bracket represents the number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
109	Outstanding	Supply Chain Management	EX-16_Financial interest declarations not completed by lower level officials	Lower level employees are not required and/or instructed to complete financial declarations of interest.	Lack of understanding of detailed SCM regulations and policy.	Supply Chain Management	Mr O Khuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all the minimum documents prescribed by SCM policies and regulations are filed together for effective retrieval during audits. 2. The compliance checklists must specifically include a requirement that lower level officials in the supply chain management complete	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAI))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (for initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
110	Outstanding	Supply Chain Management	16Ex 70_S CM- Supplier declarations not submitted	Requested information not submitted for audit purposes.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed supply chain management unit.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all the minimum documents prescribed by SCM policies and regulations are filed together for effective retrieval during audits. 2. The tender register to be reviewed against the tender documents weekly by the SCM departmental head to ensure all prescribed SCM minimum information has been attached to file. Follow ups	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coefficient letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								should be performed without delay on all non-compliance cases. 3. The following documents should be contained in the tender files as a minimum: All Quotations (minimum of 3); Approved Deviation Letter (where applicable); Declaration of Interest; Valid Tax Clearance Certificates. Prior Period Activities 1. Locate and retrieve all the outstanding requested declarations of interest for supplies and submit to the AGSA for audit. If the above exercise is not feasible, only focus on the current year matters as the non-compliance finding does not							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implement action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								accumulate or get carried over into the next financial year unless if the transaction resulted in irregular expenditure.							

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1	Outstanding	Supply Chain Management	231Ex-107 SCM- Competitive bidding process not followed	The winning bidder was not assessed correctly by applying the competitive bidding process.	1. Lack of management oversight over procurement of goods and services. 2. Inadequately staffed supply chain management unit and lack of knowledge of SCM regulations and policies.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all SCM policies and regulations regarding competitive bidding are applied uniformly. The checklist to be attached to each award made for review and audit purposes. The new PPPF Act should be used to determine the preferential points. 2. Reasons for any deviations to be properly documented and approved by the accounting officer and filed together with the tender documentation. 3. Internal audit or an independent experienced senior official must obtain a list of all awards above R 200 000 were the	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coal letter number)	Summarised details of the Audit Finding	Root Causes Identified by Both Management and Auditor (SAI)	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								competitive bidding process was compulsory and verify through inspection of the bidding documents (evaluations and adjudication committees) to determine if the competitive bidding process was correctly applied in terms on SCM regulations and policy. 4. All instances of non-compliance identified under (3) must immediately be reported to both the chief financial officer and the accounting officer.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAI))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Supply Chain Management	[25] Ex 109 SCM- Bidders not considered for pricing	Quotation prices not taken into account to determine winning bidder.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed supply chain management unit.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all SCM policies and regulations regarding competitive bidding are applied uniformly. The checklist to be attached to each award made for review and audit purposes. 2. Reasons for any deviations to be properly documented and approved by the accounting officer and filed together with the tender documentation. 3. Internal audit or an independent experienced senior official must select on a sample basis all awards below R 200 000 and verify through inspection and comparison of the quoted prices to determine that the lowest bidder	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
2															

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coal letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Supply Chain Management	[23]Ex-110-SCM- Awarded supplier had a municipal account outstanding for more than 3 months	Outstanding Municipal accounts for winning bidder not considered as required by SCM regulations.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	was selected and that quotations are not intentionally "broken down" or "split" into smaller supplies to illegally avoid stricter SCM regulations imposed on higher expenditure brackets i.e. R 10 000-R 30 000 vs. R 30 000-R 200 000. 4. All instances of non-compliance identified under (3) must immediately be reported to both the chief financial officer and the accounting officer for remedial action.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019		Weekly		
1	3														

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
					documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed supply chain management unit.			official review of compliance checklists, review the bidder screening checklist on a sample basis (100% if less than 30 bidders) to determine that no bidder was awarded a tender if the Municipal accounts were long outstanding. 3. All instances of non-compliance must be communicated to the chief financial officer and accounting officer for corrective action. If the non-compliance matter will result in the incurring of irregular expenditure, the incurred expenditure must be recorded on the irregular expenditure register.							

MAHIKENG LOCAL MUNICIPALITY ANNUAL REPORT
2017-2018

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat of the letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start Date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Supply Chain Management	[25] Ex-117 SCM- No evidence to confirm that the tender was adjudicated	No supporting documents to substantiate that the winning bidder was evaluated using the competitive bidding process.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed supply chain management unit.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all SCM policies and regulations regarding competitive bidding are applied uniformly. The checklist to be attached to each award made for review and audit purposes. The new PPPF Act should be used to determine the preferential points. 2. Reasons for any deviations to be properly documented and approved by the accounting officer and filed together with the tender documentation. 3. Internal audit or an independent experienced senior official must obtain a list of all awards above R 200 000 were the	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes Identified by Both Management and Auditor (SA)	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
								competitive bidding process was compulsory and verify through inspection of the bidding documents (evaluations and adjudication committees) to determine if the competitive bidding process was correctly applied in terms on SCM regulations and policy. 4. All instances of non-compliance identified under (3) must immediately be reported to both the chief financial officer and the accounting officer.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the count letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Supply Chain Management	[33]Ex-128 - SCM- Supplier not tax compliant	Expired tax certificate of the winning bidder.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed supply chain management unit.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all the minimum documents prescribed by SCM policies and regulations are filed together for effective retrieval during audits. 2. The tender register to be reviewed against the tender documents weekly by the SCM departmental head to ensure all prescribed SCM minimum information has been attached to file. Follow ups should be performed without delay on all non-compliance cases. 3. The following documents should be contained in the tender files as a minimum: All Quotations	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implement action of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicate d to AGSA, Council, Provincial and National Treasury)
								(minimum of 3); Approved Deviation Letter (where applicable); Declaration of Interest; Valid Tax Clearance Certificates. 4. Tax Clearance Certificates must be up to date at all times and periodic reports (monthly or during payment processing) must be generated from Munsoft to verify if all active suppliers are fully tax compliant. No payments will be processed if suppliers' tax affairs are not in order. The Municipality (payments department) must send notifications to all suppliers with tax certificates about to expire or that have expired.							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAI))	Responsible Department	Responsible Official & Resources	Action Plan (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicate d to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Supply Chain Management	[23] Ex 129_SC Mr No evidence to confirm that three quotations were obtained	No supporting documents to substantiate that the winning bidder was evaluated using the competitive bidding process.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed supply chain management unit.	Supply Chain Management	Mr O Xhuma/Deputy Head/SCM Staff/External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all SCM policies and regulations regarding competitive bidding are applied uniformly. The checklist to be attached to each award made for review and audit purposes. 2. Reasons for any deviations to be properly documented and approved by the accounting officer and filed together with the tender documentation. 3. Internal audit or an independent experienced senior official must select on a sample basis all awards below R 200 000 and verify through inspection of the bidding documents that at least 3 quotations were obtained and were a deviation has occurred, the	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coal letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Supply Chain Management	33Ex-134-Competitive bidding not followed	No supporting documents to substantiate that the winning bidder was evaluated using the competitive bidding process.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all SCM policies and regulations regarding competitive bidding are applied uniformly. The checklist to be attached to each award made for review and audit purposes. The new PPPF Act should be used to determine the preferential	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (for initiating implementing the action plan activities)	Planned Completion Date (For finalising the implement ation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement ation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicate d to AGSA, Council, Provincial and National Treasury)
					inadequately trained and under-staffed supply chain management unit.			points. 2. Reasons for any deviations to be properly documented and approved by the accounting officer and filed together with the tender documentation. 3. Internal audit or an independent experienced senior official must obtain a list of all awards above R 200 000 were the competitive bidding process was compulsory and verify through inspection of the bidding documents (evaluations and adjudication committees) to determine if the competitive bidding process was correctly applied in terms on SCM regulations and policy. 4. All instances of non-compliance identified under (3) must immediately be							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Supply Chain Management	[33]Ex 136 - SCM: No approval obtained for deviation	Deviation from SCM regulations not approved by the accounting officer.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. Since the process to address the approval of deviations is in place but inconsistently applied, remedial actions will include an independent review of the deviation register and deviation files to ensure that ALL deviations have been correctly approved by the Accounting Officer. 2. All deviations must be recorded on the deviations	1 Week	Friday 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAI))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (for initiating implementing the action plan activities)	Planned Completion Date (for finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
					Inadequately trained and under-staffed supply chain management unit			register, reconciled to the approval letter from the Accounting Officer, reported to Council on a quarterly basis and disclosed to the notes of the annual financial statements. 3. All other requirements pertaining to deviations must be monitored through the implementation of a deviation compliance checklist and signed off by the chief financial officer and supply chain management departmental head.							
119	Outstanding	Supply Chain Management	[33]Ex.137 - SCM- No evidence to confirm that the deviation was reported to council	Deviations not reported to Council in terms of SCM regulations.	No oversight over SCM reporting requirements in terms of the SCM regulations and policy.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	Perform a reconciliation statement of deviation letters approved by the accounting officer to the deviation register and annual financial statements to ensure that the deviation register and annual financial statements SCM deviation	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019		Weekly		

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								<p>information is accurate and complete.</p> <p>2. Two (2) separate register should be prepared and maintained separately in the office of the accounting officer and the office of the chief financial officer which should be reconciled every quarter (preferably) or at year end (June).</p> <p>3. After every quarterly review or alternatively once before year end (June), table the register of deviations in Council.</p>							

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1	Outstanding	Supply Chain Management	29Ex.140 - SCM- Non-compliance with Regulation 32	Failure to apply correctly the requirements of MFMA regulation 32 for an appointed service provider.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. Inadequately trained and under-staffed supply chain management unit.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. Prepare a compliance checklist specifically for the correct application of SCM regulation 32 (contract secured by another organ of state). The checklist must be applied to all prospective awards were the utilisation of a contract entered into with another organ of state is utilised for the purpose of not following the normal competitive bidding process. 2. Internal audit or an independent experienced senior official must review all awards made by utilising regulation 32 against the requirements of regulations 32 and report all instances of non-compliance to the accounting officer and chief financial officer. 3. All contracts	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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1	Outstanding	Supply Chain Management	[28] Ex 147_SC M-Bidders incorrectly eliminated based on incorrect functionality evaluations	Failure to apply correctly the requirements of the competitive bidding process resulting in disqualifying bidders incorrectly.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all SCM policies and regulations regarding competitive bidding are applied uniformly. The checklist to be attached to each award made for review and audit purposes. The new PPPF Act should be used to determine the preferential points. 2. Reasons for	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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					supply chain management unit.			any deviations to be properly documented and approved by the accounting officer and filed together with the tender documentation. 3. Internal audit or an independent experienced senior official must obtain a list of all awards above R 200 000 were the competitive bidding process was compulsory and verify through inspection of the bidding documents (evaluations and adjudication committees) to determine if the competitive bidding process was correctly applied in terms on SCM regulations and policy. 4. All instances of non-compliance identified under (3) must immediately be reported to both the chief financial officer and the							

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1	Outstanding	Supply Chain Management	33/Ex-150 - SCM- Preferential points not calculated	Failure to apply correctly the requirements of the competitive bidding process resulting in preferential points not calculated correctly.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver.	Supply Chain Management	Mr O Xuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all SCM policies and regulations regarding competitive bidding are applied uniformly. The checklist to be attached to each award made for review and audit purposes. The new PPPF Act should be used to determine the preferential	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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					Inadequately trained and under-staffed supply chain management unit.			points. 2. Reasons for any deviations to be properly documented and approved by the accounting officer and filed together with the tender documentation. 3. Internal audit or an independent experienced senior official must obtain a list of all awards above R 200 000 were the competitive bidding process was compulsory and verify through inspection of the bidding documents (evaluations and adjudication committees) to determine if the competitive bidding process was correctly applied in terms on SCM regulations and policy. 4. All instances of non-compliance identified under (3) must immediately be							

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1	Outstanding	Supply Chain Management	[37] Ex 163 Contract management	Contracts not signed by the authorised officials.	No contract management system in place to monitor the preparation, implementation and cancellation or closure of contracts.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. Include in the compliance checklist for contract management a procedure to inspect the agreements for evidence of approval in the form of signatures of duly appointed and authorised officials. 2. An independent official or internal audit to review the compliance checklists and agreements on a sample basis to ensure	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
2															
3															

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								agreements are correctly approved. All instances of non-compliance must be reported to the chief financial officer and/or accounting officer for remedial action. 3. Prepare a contract register based on current appointed service providers through use of actual contracts obtained from the legal and other respective departments and information from Directors on which service providers are currently appointed. Reconcile the contract register with the information obtained from all sources to ensure that all appointed service providers have valid agreements in place.							

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1 2 4	Outstanding	Supply Chain Management	(35)Ex 164 - SCM- Tender not advertised for 30 days	The advert was not publicised for the prescribed duration of time.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed supply chain management unit.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. The SCM head and the respective beneficiary departmental head must sign off on the dates tenders are placed on advertisements and dates when tenders are removed from media in order to isolate responsibility. 2. The tender register to include details of dates when tenders were advertised and remedial actions implemented before closure date through constant monitoring of prescribed timelines against current tenders in adverts. Tender adverts will only be removed from public media (i.e. Radio and Newspapers) and not from websites and only after approval by the SCM head and respective beneficiary departmental	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat of the letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Supply Chain Management	36Ex-178 - SCM- Indicators of cover quoting	Evidence that a supplier might have used fraudulent means to obtain a tender.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-started supply chain management	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all SCM policies and regulations regarding competitive bidding are applied uniformly. The checklist to be attached to each award made for review and audit purposes. 2. Reasons for any deviations to be properly documented and approved by the accounting officer and filed together with the tender documentation.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
					unit			<p>3. Internal audit or an independent experienced senior official must select on a sample basis all awards below R 200 000 and verify through inspection and comparison of the quoted prices to determine that the lowest bidder was selected and that quotations are not intentionally "broken down" or "split" into smaller supplies to illegally avoid stricter SCM regulations imposed on higher expenditure brackets i.e. R 10 000-R 30 000 vs. R 30 000-R 200 000.</p> <p>4. All instances of non-compliance identified under (3) must immediately be reported to both the chief financial officer and the accounting officer for remedial action.</p>							

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1	Outstanding	Supply Chain Management	[37] Ex-179 SCM- Award for the construction of Loliakane Multipurpose sports field	No evidence that the tender went through the normal SCM bidding processes.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed supply chain management unit.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	As the finding is specifically relating to one service provider with non-compliance matters covered in other SCM findings, reference will be made to the following remedial actions contained under the same section (SCM): 1. Tender Advertisements 2. Existence and Availability of tender documents 3. Outstanding Municipal Accounts	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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1 2 7	Outstanding	Supply Chain Management	137 Ex 180 SCM- Supplier declarations	Suppliers did not declare interest during the bidding process.	1. Inadequate controls for processing of awards mainly the final approval process for awarding tenders. 2. No documented award selection checklist attached to tender documentation which clearly stated the preparer, reviewer and approver. 3. Inadequately trained and under-staffed supply chain management unit.	Supply Chain Management	Mr O Xhuma (Departmental Head) SCM Staff External Consultants	1. An SCM compliance checklist to be prepared, maintained and reviewed for all awards made by the municipality to ensure all the minimum documents prescribed by SCM policies and regulations are filed together for effective retrieval during audits. 2. The tender register to be reviewed against the tender documents weekly by the SCM departmental head to ensure all prescribed SCM minimum information has been attached to file. Follow ups should be performed without delay on all non-compliance cases. 3. The following documents should be contained in the tender files as a minimum: All Quotations	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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								<p>(Minimum of 3); Approved Deviation Letter (where applicable); Declaration of Interest; Valid Tax Clearance Certificates. Prior Period Activities</p> <p>1. Locate and retrieve all the outstanding requested declarations of interest for supplies and submit to the AGSA for audit.</p> <p>If the above exercise is not feasible, only focus on the current year matters as the non-compliance finding does not accumulate or get carried over into the next financial year unless if the transaction resulted in irregular expenditure.</p>							

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Management and Auditor General (S4))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1 2 8	Outstanding	Trade and Other Receivables	[6] Ex 03 - Receivables : Prior year misstatements not corrected	It was noted that the following were still uncorrected as per note 8: a) Salary error suspension account R 12 961 157, as per prior year findings, was not adjusted b) Provision for bad debts R 5 560 262, as per prior year findings, was not adjusted	Management did not maintain adequate oversight over the financial statement reporting process and the implementation of action plans to address the prior year findings in time for the current year audit	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	The receivables from exchange (salary suspense) account consisted of amounts which could not be substantiated and requires that a detailed review of the account to identify what constitutes the amounts and ensure that amount equates to zero annually as balance is a suspense and all suspense accounts must be cleared as at year end.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
1 2 9	Outstanding	Trade and Other Receivables	[7] Ex 32 - Receivable: No information provided to determine the total of sundry debtors and the full extent of provision of bad debts as sundry debtors)	1. A schedule for note 8 on the AFS was submitted for audit as per RFI no 8. The schedule does not provide information to verify the balance disclosed on the AFS. Therefore we were unable to verify the whole amount on R11, 748,577 of sundry debtors as it was not included on the schedule.	Management did not ensure preparation of regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	The receivables from exchange (salary suspense) account consisted of amounts which could not be substantiated and requires that a detailed review of the account to identify what constitutes the amounts and ensure that amount equates to zero annually as balance is a suspense and all suspense accounts must be cleared as at year end.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
				2. We were unable to calculate the provision for bad debts of R832, 947 00 as the basis used to calculate the provision of bad debts (sundry debtors) were not well defined. 3. Furthermore management was unable to provide an explanation of the current year movement of note 8 as disclosed under note 8 of the Annual Financial Statements.											
130	Outstanding	Trade and Other Receivables	[24]Ex.83_R Reconciliations of consumer debtors included on the disclosure note	During the audit of receivable it was noted that the consumer debtor's reconciliation as per the ageing is disclosed under note 10.	Management did not exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	Revenue and Debtors Management	Ms R Gaeape (Departmental Head) Internal Staff & Consultants	Upon finalisation of the annual financial statements, use the GRAP disclosure checklist to review the disclosures in the annual financial statements for accuracy and completeness.	1 Week	Friday 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicate d to AGSA, Council, Provincial and National Treasury)
1 3 1	Outstanding	Trade and Other Receivables	[21]Ex.95 - Receivables Fines: Fines incorrectly calculated	Differences were identified between schedule and AFS.	Management should ensure controls are implemented for accurate recording of transactions.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	Upon finalisation of the annual financial statements, use the GRAP disclosure checklist to review the disclosures in the annual financial statements for accuracy and completeness.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
1 3 2	Outstanding	Trade and Other Receivables	[24]Ex.98 R Receivables Payments not allocated to Individual debtors	During the audit of receivables, it was noted that payments amounting to R 23 702 974.12 were not allocated to individual debtors at year end. The payments should be allocated to the correct account to reduce the debtor's balance at year end.	Receipts not allocated to the customer accounts.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	Obtain detailed listing of unallocated receipts and allocate where possible so as to ensure the outstanding balance is financially immaterial. Implement an unallocated receipts policy which ensures that the Municipality adequately manages its unallocated receipts balances. Guidance for a policy may be obtained from Municipalities with such policies and adapted for Mahikeng Local Municipality	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	Weekly	-	-	

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Related Party Disclosures	19Ex.74 - Related Parties - Disclosure	Key management members are not disclosed on the face of the Annual Financial Statements	Incorrect interpretation of the related parties GRAP accounting policy resulting in incorrect presentation and disclosure in the Annual Financial Statements.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist and MFMA annual financial statements disclosure requirements to be used to aid in determining the completeness of disclosure notes in the annual financial statements.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
3															
3															

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes Identified by Both Management and Auditor General (SA)	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Revenue	[6] Ex 23_Revenue - Prior year adjustment not disclosed	Difference between the prior year disclosed amounts as per the financial statements and the comparative figures were noted and was not disclosed in the prior period error note.	Management did not maintain adequate oversight over the financial statement reporting process and the implementation of action plans to address the prior year findings in time for the current year audit	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	1. All matters relating to incomplete presentation and disclosure notes will be addressed by performing a high level review of the annual financial statements upon preparation completion. 2. The GRAP disclosure checklist to be used to aid in determining the completeness of disclosure notes in the annual financial statements. 3. Procedures (1) and (2) above must be performed by a highly experienced and qualified official in GRAP financial reporting.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAG))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1 3 5	Outstanding	Revenue	[6] Ex. 24_ Revenue: Monthly reconciliation of rental income and other income not performed	During the audit of revenue it was noted that monthly reconciliation of rental income and other income were not performed during the year under review. It was further noted that the rental register for business, government and residential assets does not list all the amounts received (rental income) in the current year.	Management did not ensure that all the revenue reconciliations is performed	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	1. Obtain the rental agreements, rental register and general ledger (including the cashbook). Reconcile (on a monthly basis) the transactions on the rental register and general ledger (including the cashbook) to the rental agreements. Investigate any differences identified and effect the corrective measures. Prepare and file the supporting evidence separately for the AGSA.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
1 3 6	Outstanding	Revenue	[6] Ex. 25_ Revenue - Differences noted between AFS and client schedules	During the audit of revenue immaterial balances were identified between the AFS and levy report comparison schedules.	Management did not review the financial statements and the loan account statements.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	1. A reconciliation to be performed between the levy reports schedules, AFS and the general ledger. All the differences identified to be investigated in detail and the correct balances to be determined. Sufficient appropriate information to support the differences	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement action progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
137	Outstanding	Revenue	7/Ex.31_Revenue - Distribution loss incorrectly calculated	During the audit of revenue it was noted that distribution loss was incorrectly calculated on the AFS but correct on the client schedules provided.	Management did not review the annual financial statements to ensure that it is GRAP compliant	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	Identified should be prepared and filed separately for submission to the AGSA. 2. The Head Revenue should review in detail the reconciliation statement and supporting information and sign the reconciliation statement as proof of review and isolation of responsibility. Comprehend and apply the formula for calculating water distribution losses as prescribed in MFMA circular 71 (Financial Ratios and Norms) and calculate and disclose the water distribution losses for the year and ensure that the figure presented in the AFS agrees to the amount of the calculation schedule provided to the AGSA.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the coat letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating the action plan activities)	Planned Completion Date (For finalising the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implement progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicate d to AGSA, Council, Provincial and National Treasury)
1 3 8	Outstanding	Revenue	[9] Ex-33 Revenue: Cash not banked daily	During the audit of revenue it was noted that the amount collected from Library and Otshoop office are not banked daily as per Cash Management Policy	1. Lack of management oversight over satellite offices. 2. Amount of cash receipted daily is insufficient to warrant daily banking.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	Formulate and implement measures to account for satellite offices. The measures should primarily be aimed at ensuring that all municipal satellite offices abide to all municipal policies. The extent of the involvement in the satellite offices should be evaluated on a cost-vs.-benefits analysis.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
1 3 9	Outstanding	Revenue	[19] Ex-84_R revenue: Assessment rates incorrectly calculated	Incorrect rate categories applied to inappropriate categories.	System not been updated with the relevant and correct data to ensure that the system produces appropriate information. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	A full customer information audit to be performed. Specific debtor categories to be prioritised would be business and government properties.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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1 4 0	Outstanding	Revenue	[9] Ex 42_Revenue: No revenue accrued for billing at year end.	During testing of water service it was noted that billing for the last two weeks of June 2018 was not accounted for in the month of June 2018. The total water levied not taken into account amounts to R 318 097.89	Management's failure to ensure complete and accurate records relating to revenue are recorded in the general ledger.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	Estimate the revenue from water services not billed from the date billing is run and the last day of June and adjust the financial statements with the balance taking into account the varying rates charged per category if material.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-
1 4 1	Outstanding	Revenue	[14] Ex 49_Revenue: Estimates not correctly recorded	Meters were billed using estimated readings for period of 6 months and not longer and not subsequently reversed with an actual reading	The accounting system is not regularly updated. Management did not prepare accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	1. Increase the project management monitoring and corrective measures implementation activities to ensure the current faulty water meter replacement project is efficiently and effectively completed. 2. Comprehend and apply the water consumption estimation basis prescribed in the debt and credit control policy. The basis of estimation to be applied consistently for all	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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142	Outstanding	Revenue	16Ex-B4_R Service charge incorrectly calculated	During the audit of water revenue, variances were identified resulting from incorrectly billed and some billed but not taking into account the billing policy. Residential property charged for water services using the incorrect water tariff.	Munsoft Accounting System not been updated with the correct information. Residential property charged for water services using the incorrect water tariff.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	A full customer information audit to be performed. Specific debtor categories to be prioritised would be business and government properties.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SAI))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (for initiating implementing the action plan activities)	Planned Completion Date (for finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
143	Outstanding	Revenue	[21] Ex-65 - Revenue: Stands not billed for 12 months	Sewerage and refuse not billed for certain periods of the year resulting from internal control deficiencies.	Munsoft Accounting System not been updated with the correct information.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	1. A full customer information audit to be performed. Specific debtor categories to be prioritised would be business and government properties. 2. Obtain all the necessary documentation from other directorates (Planning & Development and Infrastructure) that relate to new property developments (any events that will result in a change in the billing requirements for a property) and reconcile the information to the details on the financial system to ensure correct billing. 3. Increase the project management monitoring and corrective measures implementation activities to ensure the current faulty water meter replacement	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan (Must address both prior and current year audit findings were applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
144	Outstanding	Revenue	124Ex-96- Revenue: Water consumption not billed for 12 month	Water not billed for certain periods of the year resulting from internal control deficiencies.	Munsoft Accounting System not been updated with the correct information. Certain properties don't have meters on the Munsoft Accounting System resulting in there being no billing for water and thus resulting in significant revenue losses.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	1. A full customer information audit to be performed. Specific debtor categories to be prioritised would be business and government properties. 2. Obtain all the necessary documentation from other directorates (Planning & Development and Infrastructure) that relate to new property developments (any events that will result in a change in the billing requirements for	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

#	Status (Outstanding, In Progress & Completed)	Financial Statement or Audit Component	Audit Finding (The number in the 1st bracket represents the code letter number)	Summarised details of the Audit Finding	Root Causes (Identified by Both Management and Auditor General (SA))	Responsible Department	Responsible official & Resources	Action Plan Activities (Must address both prior and current year audit findings where applicable)	Duration Required to Complete Action Plan Activities (Must be reasonable and cost effective)	Planned Start date (For initiating implementing the action plan activities)	Planned Completion Date (For finalising the implementation of the action plan activities)	Actual Date Finalised (Date when execution of the action activities was concluded)	Follow up Intervals (Scheduled PAAP implementation progress meetings)	Progress Report (Challenges & remedial actions with deadlines)	Final PAAP Conclusion (To be communicated to AGSA, Council, Provincial and National Treasury)
1	Outstanding	Revenue	[24]Ex 120. Revenue: Rateable valuation roll reconciliation not performed	During the audit of revenue it was noted that the municipality did not perform valuation roll reconciliation for the year.	Management did not ensure that all the revenue reconciliations is performed.	Revenue and Debtors Management	Ms R Gaepe (Departmental Head) Internal Staff & Consultants	1. Obtain all the supplementary valuation rolls prepared for the 2018-19 financial year. Generate the valuation roll from Munsoft (including all properties). 2. On a line to line basis (including all details as recorded on the valuation roll), reconcile the new values on the supplementary valuation roll to the values on the	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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								<p>system generated valuation roll. Follow up on any differences and implement the corrective actions. This procedure should be performed only when the supplementary valuation rolls have been updated to the financial system.</p> <p>3. Document the processes implemented above and submit the rateable valuation reconciliation to the chief financial officer for review and approval.</p> <p>4. File the rateable valuation reconciliation separately for AGSA purposes.</p>							

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146	Outstanding	Value Added Tax	[4] Ex 3 VAT monthly reconciliations not performed and reviewed	Monthly VAT reconciliations not performed. Reconciliations performed mostly at year end.	Management's failure to ensure that the monthly VAT inputs and outputs are for the correct purpose and amount to avoid errors and discrepancies on timeous basis.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	1. Prepare a VAT reconciliation statement between the General Ledger and the VAT 201 on a monthly basis. Investigate any differences noted and rectify accordingly. 2. A qualified delegated official to review the VAT reconciliation statement and follow up on any misstatements identified. 3. Documented records of procedures (1) and (2) above to be filed in the audit file for internal management and AGSA regularity audit purposes.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

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1 4 7	Outstanding	Value Added Tax	[38] Ex 183 Prior period adjustment VAT	During the audit of the prior period error adjustment for VAT the differences between the schedule and invoices submitted for audit.	Managements do not effectively monitor documents used to record transactions in the general ledger to ensure that Value Added Tax is only recorded for datable supplies.	Expenditure and Asset Management	Mr T Sesinyi (Acting Departmental Head) AFS Preparation Consultants	Review the entire population of vendors that the municipality entered into cash transactions with during the financial year to determine the correct VAT vendor status by using either the name or VAT number of the vendor to determine their VAT vendor status using the on-line VAT vendor search portal. For all discrepancies identified during the aforementioned exercise, correct the VAT parameters on the financial system and adjust the VAT control account accordingly together with the subsequent VAT reconciliations and VAT 201 forms.	1 Week	Friday, 01 February 2019	Saturday, 30 March 2019	-	Weekly	-	-

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give " <i>full and regular</i> " reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe " <i>what we do</i> ".
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are " <i>what we use to do the work</i> ". They include finances, personnel, equipment and buildings.

Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery	Detailed plan approved by the mayor for implementing the municipality's

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Budget Implementation Plan	delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

APPENDIX A COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time /Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
N.D MOSEKI	PT	COMMUNITY SERVICES	ANC	27%	0%	15	
T. MOTSHABI	FT	MPAC BOARD OF TRUSTEES (MMC LED)	ANC	60%	0%	15	
T.G.E. MALEBADI	PT	MPAC	ANC	67%	0%	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated		*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	
	FT/PT						#
M.G.MOKGOSI	PT	CORPORATE SERVICES		ANC	53%	0%	15
K.L. PHETHA	FT	MMC OF PUBLIC SAFETY		ANC	60%	13%	15
M.C.SEGOE	FT	MMC INFRASTRUCTURE		ANC	67%	0%	15
S.L. MOLEFE	FT	MPAC CHAIRPERSON		ANC	67%	7%	15
S.T.M.M.GASEALAHWE	PT	COMMUNITY SERVICES		ANC	53%	13%	15
P.I.MOKGELE	PT	CORPORATE SERVICES		ANC	53%	13%	15
K.I.MOTALANE	PT	DEVELOPMENT AND TOWN		ANC	47%	7%	15

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time /Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
		PLANNING					
K.A.PHASHE	PT	PUBLIC SAFETY	ANC	73%	0%	15	
G.A. KGWADIBANE	FT	SINGLE WHIP	ANC	73%	0%	15	
D.K. MOLEMA	PT	CORPORATE SERVICES	ANC	67%	7%	15	
M.M.MANYENENG	PT	INFRASTRUCTURE FINANCE BOARD OF TRUSTEES	ANC	60%	13%	15	
T.B.MAKOLOMAKWA	FT	RULES COMMITTEE	ANC	73%	0%	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
		CHAIRPERSON					
M.C.SEGWE	PT	MPAC	ANC	53%	7%	15	
S.J.VAN ROOYEN	FT	MMC OF COMMUNITY SERVICES(RESIGNED)	ANC	47%	13%	15	
N.V.MOILWA	PT	MMC OF INFRASTRUCTURE (RELACED BY CLLR SEGOE)	ANC	60%	13%	15	
A.M.MODISE	PT	CORPORATE SERVICES(DECEASED)	ANC	67%	0%	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
P.M. TABANE	FT	SPEAKER (DECEASED)	ANC	DECEASED		15	
M. PHUTHEGO	PT	INFRASTRUCTURE	ANC	67%	0%	15	
B .S. NGOBENI	FT	MMC FOR FINANCE	ANC	53%	13%	15	
P.D.SEELE	PT	FINANCE	ANC	60%	7%	15	
S.N.MOKWENA	PT	MPAC	ANC	67%	0%	15	
C.M.MOSETLO	PT	DEVELOPMENT AND TOWN PLANNING PUBLIC SAFETY	ANC	67%	7%	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
M.DICHABE	PT	INFRASTRUCTURE	ANC	67%	0%	15	
K.L.DLAMINI	PT	FINANCE PUBLIC SAFETY	ANC	47%	13%	15	
K.G. MATHAKATHAKA	PT	INFRASTRUCTURE	ANC	53%	0%	15	
T.G.DAMANITI	PT	PUBLIC SAFETY	ANC	53%	7%	15	
M.E.LEKHOBÉ	PT	DEVELOPMENT AND TOWN PLANNING RULES COMMITTEE	ANC	53%	13%	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated	Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
K.C.SEHERI	PT	COMMUNITY SERVICES	ANC	40%	20%	15	
T.J.MATOANE	PT	RULES COMMITTEE	ANC	73%	0%	15	
N.M.NLOVU	PT	MPAC	ANC	47%	0%	15	
K.B.DIAKANYO	FT	EXECUTIVE MAYOR	ANC	73%	0%	15	
T.NEBE	FT	SPEAKER	ANC	53%	13%	15	
G.A.MASIBI	PT	DEVELOPMENT AND TOWN PLANNING FINANCE	ANC	67%	7%	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
K.M.MOEPENG	PT	COMMUNITY SERVICES RULES COMMITTEE	ANC	67%	0%	15	
G.A.SEATLHOLO	PT	RULES COMMITTEE	ANC	67%	0%	15	
M.J.MONERE	PT	MPAC	ANC	53%	13%	15	
M.C.MAKOLEMAKO	FT	MMC FOR PUBLIC SAFETY	ANC	60%	0%	15	
M.M.TSOLO-MULASI	PT	FINANCE	ANC	60%	7%	15	
M.N.E.MOROENG	PT	MPAC (RESIGNED)	EFF	-	-	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
P.P.MOKOLOPI	PT	RULES COMMITTEE	EFF	-	-	15	
B.K.DINOKO	PT	PUBLIC SAFETY	EFF	53%	13%	15	
K.T.C.PHINDA	PT	FINANCE	EFF	20%	13%	15	
G.S.NKITSENG	PT	INFRASTRUCTURE (RESIGNED)	EFF	-	-	15	
T.J.RAKGOMO	PT	CORPORATE SERVICES (RESIGNED)	EFF	-	-	15	
M.G.BILLIOT	PT	COMMUNITY SERVICES	EFF	13%	13%	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
P.J.MASWABI	PT	INFRASTRUCTURE (RESIGNED)	EFF	-		15	
S.K.MATSHEKA	PT	CORPORATE SERVICES	EFF	33%	13%	15	
A.L.GAOGANEDIWE	PT	DEVELOPMENT AND TOWN PLANNING	EFF	47%	13%	15	
T.C.KENALEMONGWE	PT	MPAC	EFF	40%	20%	15	
D.M.MOROE	PT	INFRASTRUCTURE	EFF	40%	13%	15	
M.M.CHANDA	PT	RULES COMMITTEE	COPE	20%	7%	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	#	
	FT/PT						
L.R.MANGE	PT	PUBLIC SAFETY	DA	33%	0%	15	
T.L.SELEPE	PT	MPAC BOARD OF TRUSTEES	DA	40%	0%	15	
MOTAU	PT	DEVELOPMENT AND TOWN PLANNING	DA	27%	7%	15	
D.E.VAN ROOYEN	PT	FINANCE	DA	13%	7%	15	
L. SCHICHERLING	PT	FINANCE	DA	-	-	15	
W.N.BOHNER	PT	INFRASTRUCTURE	DA	27%	7%	15	

Councillors, Committees Allocated and Council Attendance							Number of Council Meetings
Council Members	Full Time / Part Time	Committees Allocated		*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	
	FT/PT						#
K.I.MBANA	PT	PUBLIC SAFETY		F4SD	60%	0%	15
M.J.RABOTAPI	PT	DEVELOPMENT AND TOWN PLANNING		F4SD	60%	0%	15
O.J.MOTSEPE	PT	MPAC		F4SD	53%	7%	15
E.O.E.SELEKE	PT	CORPORATE SERVICES		UCDP	40%	0%	15
G.K.KGAJE	PT	DEVELOPMENT AND TOWN PLANNING		UCDP	67%	0%	15
M.E.DINGILE	PT	INFRASTRUCTURE MPAC		ACDP	47%	7%	15

Councillors, Committees Allocated and Council Attendance						
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for nonattendance	Number of Council Meetings
	FT/PT					
L.J.KGOSINOKA	PT	COMMUNITY SERVICES	COPE	40%	7%	15

APPENDIX B COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
RULES (Rules Committee)	Making sure that Councilors adhere to rules and regulations as set out
MPAC (Municipal Public Accounts Committee)	Playing internal oversight role on municipal administration
LLF (Local Labour Forum)	Bargaining Forum between employer and labour component regarding matters affecting employees

APPENDIX C THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager
Office of the Municipal Manager	Municipal Manager Mr T.I. Mokwena
Budget Treasury Office/Finance Officer	Acting Chief Financial Officer: Mr I. Tswaile
Planning and Development	Director Planning and Development: Mr T. Masia
Infrastructure	Director Infrastructure: Mrs M. Moloi-Tsae
Public Safety	Director Public Safety: Mr T. Marumo
Community Service	Director Community Services: Mrs K. Nyembe
Corporate And Administration	Vacant
Local Economic Development	Vacant

APPENDIX D FUNCTIONS OF MUNICIPALITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	No	N/A
Building regulations	No	N/A
Child care facilities	No	N/A
Electricity and gas reticulation	No	N/A
Fire fighting services	Yes	N/A
Local tourism	No	N/A
Municipal airports	No	N/A
Municipal planning	Yes	N/A
Municipal health services	No	N/A
Municipal public transport	No	N/A
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No	N/A
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	N/A
Storm water management systems in built-up areas	Yes	N/A
Trading regulations	No	N/A
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	N/A
Beaches and amusement facilities	No	N/A
Billboards and the display of advertisements in public places	Yes	N/A

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Cemeteries, funeral parlours and crematoria	Yes	N/A
Cleansing	Yes	N/A
Control of public nuisances	Yes	N/A
Control of undertakings that sell liquor to the public	Yes	N/A
Facilities for the accommodation, care and burial of animals	No	N/A
Fencing and fences	Yes	N/A
Licensing of dogs	No	N/A
Licensing and control of undertakings that sell food to the public	Yes	N/A
Local amenities	Yes	N/A
Local sport facilities	Yes	N/A
Markets	No	N/A
Municipal abattoirs	No	N/A
Municipal parks and recreation	Yes	N/A
Municipal roads	Yes	N/A
Noise pollution	No	N/A
Pounds	Yes	N/A
Public places	Yes	N/A
Refuse removal, refuse dumps and solid waste disposal	Yes	N/A
Street trading	Yes	N/A
Street lighting	Yes	N/A
Traffic and parking	Yes	N/A

APPENDIX E
WARD REPORTING

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	<p>CLLR N.D. MOSEKI</p> <p>1.MALEFU GEORGINA THULO</p> <p>2.NTHABISENG FRANCINAH MOLEHE</p> <p>3.MOLAUDI EZEKIEL PHORA</p> <p>4. KEBIDITSE RUTH GABATSEWE</p> <p>5.LESWALAISE JEREMIA BOGATSU</p> <p>6.PHADIMA SHADRACK KHAUOE</p> <p>7.SEGAMETSE CONFIDENCE TAU</p> <p>8.SHOLOLO CATHERINE TSOTSOANE</p> <p>9.KENALEONE PATIENCE LEBURU</p> <p>10. GODFREY BAKAM MOKONE</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
2	<p>CLLR T. MOTSHABI</p> <p>1.OBAKENG ENOCH MOKGOBINYANE</p> <p>2.ODIRILE SELOME (S)</p> <p>3.PULE MOETJE</p> <p>4.PAKO GLORIA GAOLALWE</p> <p>5.SEBANG EDWIN TSHIRELETSO</p> <p>6.CHABAESELE MODISE (B)</p> <p>7.KARABO ANSWER MOETI</p> <p>8.EVA SEONYATSENG LEBURU</p> <p>9.ITUMELENG WESLEY KGATLE</p> <p>10.SHEILA GAOGANEDIWE</p>	YES	12	12	12
3	<p>CLLR T.G.E. MALEBADI</p> <p>1.TEBOGO KENNETH MORRIS</p> <p>2.SELLO ISAAC NOAH MAKAU</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	3.MATHABATHI CORNELIUS KGATI 4.PULANE GLORIA MAJWE 5.LUCAS RAMABYA MOTLHABANE 6.TEBOGO JAMES PHEFO 7.SEIPATI GLADYS SERATI (S) 8.MARIA NKARABENG MBOBO 9.CORNELIUS NALEDI 10.ESTHER MOGOSHANE				
4	CLLR M.G. MOKGOSI 1.MASHEBETSANE SIMON LETSWAMOTSE 2.MTHUTUZELI LIVINGSTONE PHATHO 3.LERATO MOLEFE 4.TUMELO GOOLAM 5.DOCTOR SEDIRO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	6.MOTLALEPULA SHIELA MKHWANAZI 7.MOSETSANAGAPE VIRGINIA MOKGATLHE 8.SANA S. BOINAMO 9.MMATHAPELO JULIA MATSAPOLA 10.SENTSO JOHANNES MONYE				
5	CLLR K.L.PHETHA 1.KEDIDIMETSE GRACE SETHIBELO 2.TINY LENAHS NTSIE 3.SAMUEL NGUTYANA 4.MABENA MODIPANE 5.DAVID KGOHETHILE MALEKE 6.FLORENCE LEPHADI 7.HERMAN OUPA MOKWENA 8.PAPI DIKUPE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	9.BABRA CIPHAKALLO 10.KHUMO MOLEBATS!				
6	CLLR M.C. SEGOE 1. BASEBI MARUMO 2.JOHANNES KAMOGELO MOKGWEETSI 3.KGOMOTSO COLLEN LETLAKANA 4.SEADIMO MARTHA MORULE 5.ERNEST THABANG MOOKETS! 6.MPHO MABE 7.KESAOLAKA SANNAH DISEBO 8.OBAKENG HOWARD MOTSWAMERE 9. BOITUMELO JOYCE IJANE	YES	12	12	12
7	CLLR S.L.MOLEFE 1.CATHEL BATSILE GAVRILOVIC	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	2.MOTLALEPULA REBECCA MATLHOKO 3.MONIEMANG JUDDY MOTLHAMME 4.LEHLOHONOLO JUSTICE MOKHETHI 5.LEBOGANG GERMINAH SEGWAI 6.MOTHUSI JOSEPH THEKISO 7.LERATO MAVIS RAMATOLO 8.DOLORES GABAITSIWE PELE 9.KEBONE AGNES SEGOTSO 10.MOLEMOENG JEANAH MOAMOGWA				
8	CLLR S.T.M.M.GASEALAHWE 1.JEREMIA JONNY SEITISHO MONNAPULA 2.BONTSI SIMON TOGOE 3.TSHIRELETSO PAGELL MOGAU 4.OARABILE LORE RAMONGALA	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	5.NONOFO GAOKGWATHE 6.KEBOGILE CHRISTINA TSHELE 7.MANTSHEBO VERONICA RAKGOTLA 8.NTOMIZODWA VIRGINIA MOGALE 9.TEBOGO BRENDA LEBURU 10.LEBOGANG JAYSON DAMBUZA				
9	CLLR P.I. MOKGELE 1.MARIAS NCHE 2.BOITSHOKO MAGDELINE MEDUPE 3.BILLY DUNCAN NGAKANTSI 4.NOMANTOMBOZANE PHILDAH MMOLO 5.KEDIBONE JOICE KHUMALO 6.PATRICK NDADE DLAMINE 7.ESTHER MOTHUPI	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
10	8.TOKO RICHARD TAUNYANE	YES	12	12	12
	9.LORNA MENGEL				
	10.SAKETA NELLY NNELA KGASOE				
	CLLR K.I. MOTALANE				
	1.KEDIDIMETSE ALINAH MOLATEDI				
	2.OFENTSE REGINALD SEADIRA				
	3.KEBODITSE ORIAH MALESHANE				
	4.KGALALELO CYNTHYA KGOSITAU				
	5.PASEKA DAVID OBUSENG				
	6.NOMALIZO MARGARET MAMPE				
11	7.MARIA LOLIKIE MOTHUPI	YES	12	12	12
	8.OBAKENG CHERISH KGONARE				
	9.MOLLY MONIEMANG RENS				
	CLLR K.A. PHASHE				

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	1.PANKIE ENGELINE MOKOLE 2.BOITUMELO DINAH GAOBUSE 3.BARILENG DIKOKO 4.NONDLELA CECILIA MASUMPA (S) 5.NEONYANE REGINAH KEPADISA 6.ORATILE KING MODISE 7.TUMISANG PRINCE RAKGOMO 8. MOTSHIDISI WINNIE KARABO 9.TSIYETSI JOSEPH TOONS 10.NTIKENYANE JACOB MODISE				
12	CLLR G.A. KGWADIBANE 1. KEIKANTSEMANG MONICA PITSO 2.KGOSIMORE LUCAS LEBELELANG 3.KAMOGELO KENNETH MAKGATHI	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	<p>4.BETTY MOGOPUDI</p> <p>5.MAHLUBI NIXON KRAAI</p> <p>6.ALINAH NTSWAKI KOBOKAE</p> <p>7.GOLOSIWANG SHADRACK RAMOGAE</p> <p>8.TSHEGOFATSO CINDI MATEBELE</p> <p>9.ENERST DILODILO</p> <p>10.MOTHIBEDI DAVID LEKOMA</p>				
13	<p>CLLR D.K. MOLEMA</p> <p>1.LENKY MPOTANYANA LEAH MOLAMU</p> <p>2.TSHEOLE PAUL LENKWE</p> <p>3.SIZWE EPHRAIM MASHININI</p> <p>4.OAGENG COLLEN SEBAENG</p> <p>5.QHOBELA KITCHENER SEMULI</p> <p>6.OMPHILE PADIRI</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	7. KESELEPILE EMMAH MESO 8. KAGO PITSO MACLILAN NGAKANE 9. GUGULETHU MABIZELA 10. MOTLOGELWA Z. SEATE				
14	CLLR M.M. MANYENENG 1. DIPUO LESLEY MAKALLANE 2. MOGOMOTSI DESMOND RAMATAE 3. KEGOMODITSWE JOSEPHINE MONGALA 4. NEO MAUREEN MOOKI 5. KENEILWE EDITH SHOLE 6. THABO LOETO 7. MODISAOTSILE EMMANUEL DISETLHE 8. BONOLO JULIA MOKALAKA 9. NICHOLAS SEATLHODI TSHOLO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	10.W NKONJANI				
15	CLLR T.B. MAKOLOMAKWA 1.NEO LINDAH MOGODINYANE 2.ITUMELENG MONAGENG 3.NTEBALENG ELSIE SEFAKO 4.LESEGO EDITH MORALO 5.PHENYO WESLEY MOLOKELE 6.KEITUMETSE AGNES NAANE 7.MICHAEL DIKGWATLHE 8.SOLOFELANG VICTOR SECHOGO 9.TEBOGO LOSABA 10.KEBITSAMANG RUTH MAANO	YES	12	12	12
16	CLLR M.C.SEGWE 1.MONTWEDI SYDWELL MODISE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	2.KEORAPETSE SEFITHOLO 3.TSHEPO JAMES MOKOROANE 4.KGOMOTSO CYNTHIA MATSHEKA 5.BOITUMELO ESTHER ZWANE 6.MOGOMOTSI COMFORT MMULUTSI 7.KGOTLAITSILE SYLVESTER TSIMANE 8.AMANTLE NOMATTER KOIKOI 9.THUSO SEBOKOLODI				
17	CLLR S.J.VAN ROOYEN 1.ANGELA LIZELLE LUDICK 2.KATLEGO MALCOLM MONCHO 3.KENNETH ZWELIBANZI NTAMEHLO 4.GOITSEONE AUGUSTUS MENOANE 5.GAOLATLHE MIRRIAM MOKAILA	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	6.PHINDA IDA NTSHONSHO 7.DEON ANTHONY FERRIS 8.OFENTSE ABEL TSETSE 9.EUGENE GEROLD SWARTZ 10.LIONEL BENEDICT VISAGIE				
18	CLLR N.V. MOILWA 1.NONTSIZI EUGINIA PLAATJIE 2.KGALALELO ELVIS MASENG 3.ABOLELENG YVONNE DICHABA 4.MOTLALEPULA ELLEN MAKHAYA 5.TSHEPANG M. GOPANE 6.PHARARE FELIX NKO 7.KABELO JOEL MOLATLHEGI 8.MARTHA SANDO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	9.NOMSANGAPHI SUSAN MOTLHALA 10.MOHAU KEALEBOGA MARUMO				
19	CLLR A.M. MODISE 1. DIKANO SHADRACK DITIRE 2.SEALOGANE PRECIOUS SEITEO 3.DIKELEDI MAGDELINE NTHAODI 4.PHENYO CALPHIUS TSOEU 5.NOMPUMELELO SINAH MTSHAMBA 6.GABORONE AUGUSTUS NOKO 7.PIET STEPHEN KESIILWE 8.CAROLINE NGOBENI 9.KEGOMODITWE ANNITJIE KHUBU 10.SEDIRI FREEDOM SELEKA	YES	12	12	12
20	CLLR P.M. TABANE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	1. ELIZABETH GOEDITSWE LENOKE 2. MILTON GAPE MOKGOBINYANE 3. NTESANG MARTHA GOLELELWANG 4. MMAPHEFO MOFINTA 5. KENNETH BAKANG MABUDI 6. LUCKY LESEGO SKHONDE 7. TSHOLOFELLO KAIZER TAWANA 8. OCTAVIA THOMAS 9. KOKETSO TSIENYANE GEORGE KGALADI 10. DINALEDI THEODORA LESHOMO				
21	CILLR M. PHUTHEGO 1. ROSINA KELEBOGILE SETHIBELO 2. THABO LUCAS CHACHA 3. TUMISANG PATRICK MOCUMI	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	4. SELEBANO ANGELINA DINGOKO 5. LEBOGANG JOHN MOLEFE 6. DAVID MOREMEDI 7. NOMATHEMBA P. NTWASHO 8. TUMELO FAITH TSOEU 9. MORWA MARTHA MARUMO 10. ROSINA KELEBOGILE SETHIBELO				
22	CLLR B.S. NGOBENI 1. KGOSIETSILE LUCKYBOY OLIPHANT 2. MMASABATA FLORENCE POIFO 3. MOSETSANAGAPE PHETHE 4. MABONTLE PATRICIA MOOKETSI 5. ITUMELENG JACKSON MOKGETHI 6. JOSEPH SEBOLAI NTITANE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	7.KENALEMANG ROSINAH THEBE 8.ITHOLENG SONIAH GAONGALELWE 9.BOIKANYO COLLEN PINASE 10.MALERATO ANNASTACIA MATLHOLWA				
23	CLLR P.D. SEELE 1.TEBOGO TLALE 2.GABATSHWANE ROSINA MAHAO 3.SETSHEGO MAGDELINE TSHWEU 4.KESENTSENG JOHANNA LESOLLE 5.SEIPATI GLADYS MOLWANTWA (S) 6.LETSHOLO LAWRENCE MOTSEMME 7.NEO BERNETT MABOTE 8.KEADIMILWE GLORIA SEBONEGO 10.MASELEMELA LOUISA SEATLHOLO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
24	<p>CLLR S.N. MOKOENA</p> <p>1.KOOLEBOGILE ANNA MALEFANE</p> <p>2.PUONG ALETTA MANOTO</p> <p>3.MORAPEDI MOTSWENYANE</p> <p>4.SELLOANE MARTHA BALENI</p> <p>5.GODFREY MOSALA</p> <p>6.MOTHUSI MSIMANGA</p> <p>7.MOKATE JULIA MATLAKALA</p> <p>8.BATHUSANG MARGARET KEKGOKETSE</p> <p>9.MALETSATSI EUNICE ITUMELENG</p> <p>10.MASALASUPING ABEL SEJAMOHLO</p>	YES	12	12	12
25	<p>CLLR G.N. MONNAPULA</p> <p>1.NEO ANNA MONGANE</p> <p>2.NOGE JACOB MATSILE</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	3.KEORAPETSE LESLEY LETHOBA 4.KAGISO MESHACK MANUEL 5.MMAKALE ELIZABETH TSATSI 6.MPHO GIFT MOGALE 7.CLARA ELIZABETH NAMANE 8.KELETSO SIMON PADIRE 9.KEBALEPILE SIMON MOKATE (B)				
26	CLLR C.M. MOSETLO 1.MATTHEWS DITHUSO SHARP 2.MMASIKWA AGNES SEIMA 3.PHINDILE MATTHEWS SAUL 4.KAGISO EMMANUEL DIRE 5.OBAKENG CHRISTOPHER MOTHIBI 6.KENANAO KENNY MOKGANTSHANG	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	7.GOPOLANG VICTORIA MASHABA 8.MOTHIBEDI DONALD MOKHASI 9.MOSADIKHUMO MOLOSIWA 10.KEDIBONE ANDRETTA SEANEGO				
27	CLLR M. DICHABE 1.MAGAUTA IRENE MEHLWANA 2.GLADYS MAQUNGELA 3.LENEWA JIM 4.LUCAS MOTLHALE 5.JOSEPH BOETIE MOALUSI 6.DIKELEDI REBECCA TSAGAE 7.KESAObAKA NELLY BATSHEGI 8.BOIPELO HONEY TEEMANE 9.REFILWE REVONIA MOOKETSI	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
28	<p>CLLR K.P. MOTSUMI</p> <p>1.CHERE MOKHESI</p> <p>2.THEMBENI SAMUEL MBASA</p> <p>3.GEORGE DUBE</p> <p>4.TEBOGO NELSON MORE</p> <p>5.JACOB TSHEKISO MOEPI</p> <p>6.MAPELONOMI EVA SPRINGBOK</p> <p>7.GARRY GAENYANE</p> <p>8.PULENG BELLA NTWAGAE</p> <p>9.THEBE MOSAGALE</p> <p>10.CECILIA SELLONE SEMETSE</p>	YES	12	12	12
29	<p>CLLR K.L.DLAMINI</p> <p>1.OFENTSE KGOSI BOGOSI</p> <p>2.TSHEPISO LENTSWANE</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	3.ANNA MMAMONANG SEFEMO MEKGWE 4.KESEKANG M. VAALTEIN 5.MMAPHEFOJOY VAALTYN 6.MAJAKOBA JOYCE LETHOKO 7.SENOGANG JOSEPHINE SEBOLAO 8.DANIEL TAU 9.TUELO PETRUS MOJAFI				
30	CLLR K.G. MATHAKATHAKA 1.SEATSHOGENG BEN SEKOMERE 2.MZWANDILE GODWIN AFRICA 3.KELEBOGILE KGORINYANE 4.BOTINYANE DAVID MOSHOESHOE 5.LEBOGANG EMILY SEGWE 6.BOITUMELO JOYCE BOTSIME	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
31	<p>CLLR T.G. DAMANITI</p> <p>1.DANIEL ARON ABRAMS</p> <p>2.KENALEMANG THELMA MOGOLA</p> <p>3.OBAKENG EDWIN MAKOLOMAKWA</p> <p>4.ORAPELENG PIUS DISEKO</p> <p>5.PELONOMI CONSTANCE TSHWEU</p> <p>6.OARABILE LABIOUS AFRICA</p> <p>7.SELEBALENG DORCAS SEGOPOLO</p> <p>8.PULE PHOOFULO</p> <p>9.ADOLPHINAH KGOMOTSO SEJAMOHLO</p> <p>10.BOITIRELO MODIPANE</p>	YES	12	12	12
32	<p>CLLR M.E. LEKHOBE</p> <p>1.KELEBOGILE MONICA MATHONZI</p> <p>2.KEALEBOGA BRIAN MPANZA</p>	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	3.LETLHOGONOLO MOGABE 4. PATRICIA KHUTSAFALO MPAMA 5.MOREETSI RATSHEFOLA 6.PULE ALBAVIUS MAGODIELE 7.DANIEL LETLAMORENG MOTAUNG 8.EUNICE PELONOMI SEREKWANE 9.BERTHA MARUASPANE APPLGREEN 10.MASEGO KHATHAZO				
33	CLLR K.C. SEHERI 1.DIBUELO ELLEN MOGOTSI 2.TUMELO MOTSWADI 3. LESEGO MADUO GLORIA MORE 4.TERESLEI CASWE CASULE 5.MARY MODIEGI JABANE	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	6.DIFFERENCE MOAGI MATSIDIDI 7.JOHN LENTIKILE MAKOA 8.ISAAC MALAKAJE 9. MHO ISSAC NDONA				
34	CLLR T.J. MATOANE 1.JEANET MATSHIDISO 2.KELEBOGILE MERCY KGOPODITHATA 3.MOSALA WESLEY LEEPILE 4.OMPHILELERATO MMAREIKANNE BLESSED 5.KERILENG ANNA MMILE 6.PAUL NYANISO NGALO 7.SOPHY KGAIISO MOJAKI 8.SEFAKO ELIAS LEBURU 9.DAVID LESHOMO	YES	12	12	12

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
35	<p>CLLR N.M. NDLOVU</p> <p>1.WAGENG AUBREY MOLAODI</p> <p>2.TEBOGO TIMOTHY MOTSWANA</p> <p>3.LESEGO SONYINGWA</p> <p>4.LUCAS KABISO THIBEDI</p> <p>5.DIKELEDI ROSLINA MES</p> <p>6.ZAMILE SAUL MTSHAMBA</p> <p>7.THIWE AGELINAH GOBILE</p> <p>8.THUSO LUCKY DUMA</p> <p>9.OUMA ELISA DIPHOKO</p>	YES	12	12	12

**APPENDIX F
WARD INFORMATION**

The Mahikeng Local Municipality has 35 wards. Please refer Appendix E above for the Name of Ward Councilors and elected Ward committee members as well as the ward committee meetings held.

APPENDIX G RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

AUDIT COMMITTEE ANNUAL REPORT 2017/18

We are pleased to present our report for the financial year ended 30 June 2018.

1. Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act and Circular 65 issued by National Treasury. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, and it has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

2. Audit Committee members and attendance

The Audit Committee, consisting of independent outside members, meets at least four times per annum as per its approved terms of reference, although additional special meetings may be called as the need arises.

3. The Effectiveness of Internal Control

Our review of the internal control environment revealed that there has been a room for improvement in the system of internal control of the municipality and reducing qualification issues of previous year. Furthermore, there are several deficiencies in the system of internal control and/or deviations there were reported by the internal auditors and the Auditor-General. However, the Audit Committee notes management's commitment and action plan to correct deficiencies.

4. In-Year Management and Monthly/Quarterly Report

The municipality does have an effective monthly and quarterly reporting system to the Council as required by the Municipal Finance Management Act (MFMA).

5. Performance Management

The AC reviewed functionality of the performance management system and it appears to be functional, however there is a room for improvement in so far as achievement of planned targets is concerned and submission of portfolio of evidence timeously.

6. Risk Management

The AC is of the opinion that municipality's risk management appears to be ineffective for the better of the year and material respect, and the municipality did implement a comprehensive risk management strategy and related policies. Management has no sound and effective approach has been followed in developing strategic risk management plans and there is a sense of appreciation of the impact of the municipality's risk management framework on the control environment. There is a room for improvement in so far as fraud prevention.

7. Compliance with laws and regulations

A number of non-compliance with the enabling laws and regulations were revealed by Audit Committee, AGSA, and Internal Audit during the year. Thus there is a room for improvement in so far as establishing an effective system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

8. Internal Audit

The AC is satisfied with the effectiveness of Internal Audit, and recommend that Management and Council should capacitating this unit. The above conclusion is based on:

- Timeous approval the internal audit charter, strategic and operational plans, internal audit activities, staffing (including competence and Qualifications), and organisational structure of the Internal Audit Unit;
- Satisfactorily implementation of the approved the annual internal audit plan and all major changes to the plan.
- There were no unjustified restrictions or limitations on work of the internal audit.
- Compliance with the IIA's international standards for the professional practice by Internal Auditing unit
- Partial implementation of remedial action plan on internal audit findings by management.

9. External Audit

The AC did review the Auditor-General's proposed audit scope and approach, including coordination of audit effort with internal audit in respect of 2016/17 financial year. Furthermore, the AC evaluated management responses to the reports or findings of the Auditor-General on quarterly basis.

10. Progress in implementation of AGSA findings from prior year

AGSA recommendations were not fully implemented by management at the time of this report. There is a room for improvement in this regard and the AC recommended to the municipality to prioritise the implementation of recommendations by AGSA.

11. Progress on implementations of Internal audit recommendations

A material number of Internal audit recommendations were implemented by management. There is a room for improvement in this regard and thus, AC recommended to municipality to prioritise the implementation of recommendations by Internal Audit.

12. Implementations of Audit Committee Recommendations by management

A material number of Audit committee recommendations to management were implemented. There is a room for improvement in this regard and thus, AC recommended to municipality to fast track the implementation of recommendations by Audit Committee.

13. Conclusion

The Audit Committee wishes to acknowledge the commitment from Council, management and staff of the municipality. The stability in terms of the political and administrative leadership of the municipality has contributed to these improvements report above. We would also like to thank the Executive Mayor for his support, Councillors, senior management for their efforts and internal audit for their contribution.

A handwritten signature in black ink, consisting of the letters 'SAB' followed by a stylized flourish, all enclosed within an oval shape.

SAB Ngobeni (Mr)
Chairperson of the Audit Committee
Mafikeng Local Municipality
31 August 2018

APPENDIX H LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Refer to Chapter 5 – Financial Performance (Audited Annual Financial statement 30 June 2018) above.

APPENDIX I MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose	(a) Service Indicators	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target		Target		Actual		Target	
		(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
(i) Internal and Smooth plumbing	(ii) Number of water meters replaced	Not applicable	Not applicable	Not applicable	12 Bulk & 1000 Domestic water meters replaced by 30 June 2018	Target Exceeded 0 Bulk & 1618 Domestic water meters replaced	Not applicable	Not Applicable	Not Applicable
Internal and WHHC Drilling (contract ended)	Number of new boreholes constructed	Not applicable	Not applicable	Not applicable	24 new boreholes constructed by 30 June 2018	Not Achieved 11 new boreholes constructed	Not applicable	Not Applicable	Not Applicable
Internal and WHHC Drilling (contract ended)	Number of boreholes maintained	Not applicable	Not applicable	Not applicable	24 boreholes maintained by 30 June 2018	Target Exceeded 79 boreholes maintained	48 boreholes maintained by 30 June 2019	Not Applicable	Not Applicable

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose	(a) Service Indicators	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
(i)	(b) Service Targets	(iii)		(v)		(viii)		(ix)	
		(iv)		(vi)		(x)		(xi)	
Tarsibye CC	Number of funerals in rural wards provided with free basic water (tanks waters)	Not applicable	Not applicable	Not applicable	1920 funerals in rural wards provided with free basic water (tanks waters) by 30 June 2018	Not applicable	Not Achieved 1517 funerals in rural wards provided with free basic water (tanks waters)	Not applicable	Not Applicable
Tarsibye CC	Number of community tanks in rural wards provided with free basic water	Not applicable	Not applicable	Not applicable	2160 community tanks in rural wards provided with free basic water by 30 June 2018	4000 community tanks in rural wards provided with free basic water by 30 June 2019	Target Exceeded 2822 community tanks in rural wards provided with free basic water	Not Applicable	Not Applicable

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose	(a) Service Indicators	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target		Target		Actual		Target	
(i)	(b) Service Targets	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Fourfathers / Region water	Number of samples of drinking water and wastewater collected and analysed	Not applicable	Not applicable	Not applicable	304 samples of drinking water and wastewater collected and analysed by 30 June 2018	Not Achieved 280 samples of drinking water and wastewater collected and analysed	Not applicable	Not Applicable	Not Applicable
NPNF Excellence Academy	Number of pump stations maintained	Not applicable	Not applicable	Not applicable	17 pump stations maintained by 30 June 2018	Achieved 17 pump stations maintained	32 pump stations maintained by 30 June 2019	Not Applicable	Not Applicable
Meiron Enterprise	Number of kilometers of gravel road upgraded to tar at Setumo high school road (Multiyear project 2015-16 & 2017-18)	2,7 KMs gravel road upgraded to tar at Setumo high school road by 31 August 2017	Not Achieved Road not upgraded to tar at Setumo high school road	2,7 KMs gravel road upgraded to tar at Setumo high school road by 31 August 2017	2,7 KMs gravel road upgraded to tar at Setumo high school road by 31 August 2017	Not Achieved 1.5 kms and 150m kerbs of Kms of gravel road upgraded to tar at Setumo high school road	Not applicable	Not Applicable	Not Applicable

Municipal Entity/Service Provider Performance Schedule										
Name of Entity & Purpose	(a) Service Indicators	Year 2016/17		Actual	Year 2017/18		Actual	Year 2018/19		Year 2019/20
		Target			Target			Target		
		(i)	(b) Service Targets (ii)		(iii)	(iv)		(v)	(vi)	(vii)
Vision Construction	Number of kilometers of tar road constructed in Ward 30 (Multiyear project 2015-16 & 2017-18)	1,3 KMs of tar road constructed in Ward 30 by 31 August 2016	Not Achieved Road not constructed in Ward 30	1,3 KMs of tar road constructed in Ward 30 by 31 August 2016	1,3 KMs of tar road constructed in Ward 30 by 31 August 2017	Not Achieved 1,3 KMs of paving road constructed in Ward 30 completed but not handed over by 30 June 2018	Not applicable	Not Applicable	Not Applicable	
Excellence Business	Kilometers of Storm Water Drainage System Maintained in Extension 39 Formal Settlement	Not applicable	Not applicable	Not applicable	2 KMs Storm Water Drainage System Maintained in Extension 39 Formal Settlement	KPI removed	Not applicable	Not Applicable	Not Applicable	

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose	(a) Service Indicators	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
		(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
(i) Marabe Projects and Kitso Joint Venture	(ii) Number of kilometers of surfaced roads upgraded in unit 14 and Unit 12	Not applicable	Not applicable	Not applicable	2.5KMs of surfaced roads upgraded in unit 14(1.5KM) and Unit 12(1KM) by 28 February 2018	Not Achieved Project in complete. Unit 14 roads unsatisfactory, unit 12 - GYPSY road still need resealing	Not applicable	Not Applicable	Not Applicable
Lesedi Civil Construction	Number of kilometers of surfaced roads upgraded in Zobo road	Not applicable	Not applicable	Not applicable	2.5 KMs of surfaced roads upgraded in Zobo road by 28 February 2018	Achieved 2.5 KMs of surfaced roads upgraded in Zobo road	Not applicable	Not Applicable	Not Applicable
Tholotsakwena	Number of kilometers of surfaced roads upgraded in First street and South Street	Not applicable	Not applicable	Not applicable	1.7 KMs of surfaced roads upgraded in First street(1KM) and South Street (0.7KM)by 28	Achieved 1.7 KMs of surfaced roads upgraded in First	Not applicable	Not Applicable	Not Applicable

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose	(a) Service Indicators	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target		Actual	Target	Actual	Target
				*Previous Year (v)	*Current Year (vi)			*Current Year (viii)	*Following Year (ix)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(ix)	(ix)	(x)
Tshikamotho Trading CC	Number of high mast lights constructed in Wards – Ward 1, 2, 26, 28, 33	Not applicable	Not applicable	Not applicable	20 high mast lights constructed in Wards – 1,2,26,28,33 by 30 June 2018	street(1KM) and South Street (0.7KM)	Not applicable	Not Applicable	Not Applicable
Afrison Pty Ltd	Number of street lights Retrofitted by 30 June 2018	Not applicable	Not applicable	Not applicable	1214 street lights Retrofitted by 30 June 2018	Achieved 1214 street lights were retrofitted	600 street lights Retrofitted by 30 June 2019	Not Applicable	Not Applicable

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Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose	(a) Service Indicators	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Previous Year (v)	Current Year (vi)	Actual	Current Year (viii)	Current Year (ix)	Following Year (x)
(i) Balegorositse Transport	(ii) Number of multipurpose centre constructed in Ward 29	(iii) 1 multipurpose centre constructed in Ward 29 by 30 June 2017	(iv) Not Achieved Multipurpose centre construction in Ward 29 not completed	(v) 1 multipurpose centre constructed in Ward 29 by 30 June 2017	(vi) 1 multipurpose centre constructed in Ward 29 by 30 June 2018	(vii) Not Achieved Multipurpose centre constructed in Ward 29 not completed	(viii) Not applicable	(ix) Not Applicable	(x) Not Applicable
Tsoga Developers	Number of Landfill Site upgrading	Not applicable	Not applicable	Not applicable	1 Landfill Site upgrading by 30 June 2018	Not Achieved Landfill Site upgrading not completed	Not applicable	Not Applicable	Not Applicable
Bonolo Supply and Ramalephatso Joint Venture	Number of community cemeteries upgrading	Not applicable	Not applicable	Not applicable	1 community cemeteries upgrading (Matlalong graveyard) by 30 June 2018	Not Achieved Community cemeteries upgrading (Matlalong graveyard) not completed	1 community cemeteries upgrading (Matlalong graveyard) by 30 June 2019	Not Applicable	Not Applicable

Municipal Entity/Service Provider Performance Schedule									
Name Of Entity & Purpose	(a) Service Indicators	Year 2016/17		Year 2017/18		Year 2018/19		Year 2019/20	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
NewGx	Number of rural/peri-urban wards provided with free refuse removal services	18 rural/peri-urban wards provided with free refuse removal services by 30 June 2017	Achieved 18 rural/peri-urban wards were provided with free refuse removal services	18 rural/peri-urban wards provided with free refuse removal services by 30 June 2017	18 rural/peri-urban wards provided with free refuse removal services by 30 June 2018	Achieved 18 rural/peri-urban wards provided with free refuse removal services	18 rural/peri-urban wards provided with free refuse removal services by 30 June 2019	Not Applicable	Not Applicable
Ithabiseng Consulting	Number of quarterly reports on Facilitation of construction of composting facility by DEA	4 reports on Facilitation of construction of composting facility by DEA by 30 June 2017	Achieved 4 Reports on Facilitation of construction of composting facility by DEA	4 reports on Facilitation of construction of composting facility by DEA by 30 June 2017	4 reports on Facilitation of construction of composting facility by DEA by 30 June 2018	Achieved 4 report on Facilitation of the construction of the composting facility	4 reports on Facilitation of construction of composting facility by DEA by 30 June 2019	Not Applicable	Not Applicable

APPENDIX J
DISCLOSURES OF FINANCIAL INTERESTS

Refer to Chapter 5 – Financial Performance (Audited Annual Financial statement 30 June 2018) above.

APPENDIX K
REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Refer to Chapter 5 – Financial Performance (Audited Annual Financial statement 30 June 2018) above.

APPENDIX L
CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Refer to Chapter 5 – Financial Performance (Audited Annual Financial statement 30 June 2018) above.

APPENDIX M
CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

Refer to Chapter 5 – Financial Performance (Audited Annual Financial statement 30 June 2018) above.

APPENDIX N
CAPITAL PROGRAMME BY PROJECT 2017/18

Refer to Chapter 5 – Financial Performance (Audited Annual Financial statement 30 June 2018) above.

APPENDIX O
CAPITAL PROGRAMME BY PROJECT BY WARD 2017/18

Refer to Chapter 5 – Financial Performance (Audited Annual Financial statement 30 June 2018) above.

APPENDIX P
SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Schools and clinics are not functions of the Mahikeng Local Municipality

APPENDIX Q

SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Housing delivery is low as there is still a backlog of 35000 houses

APPENDIX R

DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Refer to Chapter 5 – Financial Performance (Audited Annual Financial statement 30 June 2018) above.

APPENDIX S

NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial outcomes of Local Government		
Outcome/output	Progress to date	Number or percentage achieved
Output: improving access to basic services	Water Sanitation Electricity Refuse removal	67%
Output: implementation of Community Works Programme	Community Works Programme is implemented in all wards in the municipality with an employment of 500 jobs	-
Output: Deepening Democracy through refined ward committee model	Municipality through Ward Committees consult with community. Planning and prioritisation is also communicated through ward Committees	100%
Output: administrative & financial capabilities	The administrative wing of the municipality is stable, as well as the financial muscles however it is not enough to provide more service to the community	90%

